

IN THE CIRCUIT COURT FOR THE THIRTIETH JUDICIAL DISTRICT  
OF TENNESSEE AT MEMPHIS

**Zurich American Insurance Company**  
as subrogee of Staff Line, LLC

*Plaintiff*

C.A. \_\_\_\_\_

v.

Jury Demanded

**Technicolor Videocassette of Michigan, Inc.**

*Defendant*

### COMPLAINT

Plaintiff Zurich American Insurance Company, as subrogee of Staff Line, LLC and with proper standing, brings this lawsuit timely against Defendant Technicolor Videocassette of Michigan, Inc., and alleges the following:

#### Parties

1. Plaintiff Zurich American Insurance Company (“Zurich”) is an Illinois corporation with a principal place of business in Schaumburg, Illinois. Zurich-insured Staff Line, LLC is believed to be a Tennessee corporation. Staff Line employee Mack Hamer is believed to be a Tennessee citizen residing in Shelby County.
2. Defendant Technicolor Videocassette of Michigan, Inc. (“Technicolor”) is a Delaware corporation with its principal place of business at 3233 Mission Oaks Boulevard in Camarillo, California. This defendant may be served through its registered agent, Registered Agent Solutions, Inc., at 992 Davidson Drive, Suite B in Nashville, Tennessee.

#### Jurisdiction and Venue

3. This Court has subject matter jurisdiction over this lawsuit through Tenn. Code § 16-10-101.
4. This Court may exercise personal jurisdiction over the defendant because it resides, transacts business, or committed one or more of the acts that give rise to this lawsuit, in Tennessee.
5. Venue is appropriate in Shelby County as the place where the damages were incurred, and all the claims made herein arose.

### EXHIBIT A

## Factual Allegations

6. One or about July 2015 Staff Line and Technicolor entered into Temporary Staffing Services Agreement (“Agreement”) in which Technicolor agreed to use all due care in protecting the employees of Staff Line from exposure to any hazardous conditions, risk of harm, or danger. A true and correct copy of the Agreement is Exhibit A to this Complaint.
7. The Agreement further called for Technicolor to indemnify and hold harmless Staff Line from any claims for bodily injuries or property loss, including claims arising out of the use or operation by the employees of Staff Line any Technicolor owned, non-owned or leased vehicles, machinery or equipment by the employees of Staff Line.
8. On or about December 1, 2018 Hamer was working at Technicolor on assignment from Staff Line
9. On that day, while operating a stand-up forklift, Hamer was struck by another forklift driver, causing Hammer to be thrown approximately 15 feet from the lift to the ground (“the Collision”).
10. As a result of the Collision, Hamer suffered significant personal injuries, which required surgical intervention.
11. Those injuries and the subsequent necessary treatment and rehabilitation rendered Hamer was unable to work, resulting in lost wages.
12. At the time of the Collision, Staff Line had a valid and enforceable worker’s compensation insurance policy with Zurich.
13. As called for by that policy, Zurich has paid more than \$105,158.59 to date for Hamer’s injuries arising out of the Collision. Zurich has paid another \$12,539.24 in indemnity benefits for Hamer’s lost wages.
14. As a result of those compelled payments for Hamer’s injuries and lost wages, Zurich is (1) equitably entitled to subrogate for those payments and, (2) legally entitled to subrogation for those payments through Tennessee Code § 50-6-112.
15. Accordingly, Zurich now brings the following claims, pleaded alternatively and cumulatively:

### **Count 1 – Negligence**

16. As a result undertaking the training, managing, and/or supervising the operation of forklifts at its facility, Technicolor assumed the obligation to do so with reasonable care, so as not to injure others, and in manner commensurate with its standing as a professional organization engaged in those endeavors.
17. “The law imposes upon every person who enters upon an active course of conduct the positive duty to exercise ordinary care to protect others from harm, and calls a violation of that duty negligence. It is immaterial whether the person acts in his own behalf or under a contract with another.”<sup>1</sup>
18. Technicolor owed that duty to those foreseeably harmed by the failure to meet it, including Hamer.
19. Technicolor breached this duty by failing to properly: train, manage, and supervise those operating forklifts at the facility; ensure the safe operation of forklifts at the facility; and perhaps in other ways that discovery may disclose.
20. As a proximate result of one or more of these breaches, the Collision and resulting injuries to Hamer occurred, compelling Zurich’s payments for those injuries.
21. Therefore, Combs is liable to Hamer and Staff Line—and by extension, to USAA—for the damages proximately caused by the Collision.

### **Count 2 – Breach of Contract**

22. The Agreement called for Technicolor to use all due care in protecting Staff Line employees from exposure to any hazardous conditions, risk of harm, and danger.
23. The Agreement was and is valid, and was in effect at the time of the Collision.

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<sup>1</sup> *Council v. Dickerson's, Inc.*, 64 S.E.2d 551, 553 (N.C. 1951). *See also Oates v. Jag, Inc.*, 333 S.E.2d 222, 225 (N.C. 1985) (“The duty owed by a defendant to a plaintiff may have sprung from a contractual promise made to another; however, the duty sued on in a negligence action is not the contractual promise but the duty to use reasonable care in affirmatively performing that promise. The duty exists independent of the contract.”) and *QORE, Inc. v. Bradford Bldg. Co., Inc.*, 25 So.3d 1116, 1124–1125 (Ala. 2009) (“where one party to a contract assumes a duty to another party to that contract, and it is foreseeable that injury to a third party—not a party to the contract—may occur upon a breach of that duty, the promisor owes that duty to all those within the foreseeable area of risk.”)

24. As with all service contracts, the Agreement carried with it an implied obligation to perform it skillfully, carefully, diligently and in a workman-like manner.<sup>2</sup>
25. Technicolor breached the Agreement by failing to properly: train, manage, and supervise those operating forklifts at the facility; ensure the safe operation of forklifts at the facility; and perhaps in other ways that discovery may disclose.
26. As a proximate result of Technicolor's breach of the Agreement, Zurich was compelled to pay workers' compensation benefits to Hamer totaling \$117,737.83, and remains obligated to pay additional benefits for continued medical payments and lost wages.
27. As a proximate result of one or more of these breaches, the Collision and resulting injuries to Hamer occurred, compelling Zurich's payments for those injuries.
28. Therefore, Combs is liable to Hamer and Staff Line—and by extension, to USAA—for the damages proximately caused by the Collision.

#### **Conditions Precedent**

29. All conditions precedent to bringing this lawsuit have occurred, been performed, or been waived.

#### **Relief Requested**

30. Wherefore, Zurich respectfully requests that it recover the more than \$117,737.83 in damages caused by the defendant's actionable conduct, court costs, and any additional sums or relief this Court deems appropriate.<sup>3</sup>

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<sup>2</sup> *Federal Ins. Co. v. Winters*, 354 S.W.3d 287, 292 (Tenn. 2011); *Davis v. New England Pest Control Co.*, 576 A.2d 1240, 1242 (R.I. 1990) ("[T]here is implied in every contract for work or services a duty to perform it skillfully, carefully, and diligently and in a workman-like manner[.]"). A home builder, for example, could be sued in tort if he negligently dropped a beam on a bystander or if he negligently left an inconspicuous hole in an unfinished floor into which a visitor fell. *See generally* Restatement (Second) of Torts § 384 (1965) (recognizing that "[o]ne who on behalf of the possessor of land erects a structure or creates any other condition on the land" is generally liable "for physical harm caused to others upon and outside of the land by the dangerous character of the structure or other condition while the work is in his charge").

<sup>3</sup> *See Scholz v. S.B. Int'l, Inc.*, 40 S.W.3d 78, 83 (Tenn. Ct. App. 2000) ("[F]airness will, in almost all cases, require that a successful plaintiff be fully compensated by the defendant for all losses caused by the defendant, including the loss of use of money the plaintiff should have received.") (reversing trial court's denial of prejudgment interest).

**Plaintiff Demands a Trial by Jury**

Thursday, April 23, 2020  
Knoxville, Tennessee

Respectfully submitted,  
**QUIST, FITZPATRICK & JARRARD PLLC**

By: Michael A. Durr

Michael A. Durr (TBA 26746)  
800 South Gay Street, Suite 2121  
Knoxville, Tennessee 37929  
Direct: (865) 312-0440  
E-Mail: mdurr@qcflaw.com  
*Attorney for Plaintiff Zurich American Insurance Company*

**Cost Bond**

To the extent necessary we, Quist, Fitzpatrick & Jarrard PLLC, have agreed to serve as sureties for this cause for all costs that may be awarded against Plaintiff Zurich.

By: Michael A. Durr

Michael A. Durr (TBA 26746)

*Interrogatories, Requests for Production, and Requests for Admission  
have been served with this Complaint*

## TEMPORARY STAFFING SERVICES AGREEMENT

It is hereby agreed by and between STAFF LINE, LLC, a Tennessee limited liability company with its principal place of business located at 6055 Primacy Parkway, Suite 300, Memphis, Tennessee 38119 and its subsidiaries ("Staffing Company" or "Party"), and TECHNICOLOR VIDEOCASSETTE OF MICHIGAN, INC., a Delaware corporation with its principal place of business located at 3233 E. Mission Oaks Boulevard, Camarillo, California 93012 ("Technicolor" or "Party") (collectively referred to as the "Parties"), in consideration of the mutual covenants contained herein, to the terms and conditions set forth in this Temporary Staffing Services Agreement (the "Agreement") as of 1/20/20 (the "Effective Date").

### 1. DUTIES OF STAFFING COMPANY

- a. Provision of Staffing Services. Staffing Company will recruit, interview, screen, hire and assign to Technicolor Staffing Company employees who, in the Staffing Company's judgment, are best qualified to perform the type of work described on Exhibit A ("Assigned Employees"). The Assigned Employees will perform the work for Technicolor at the locations within the United States specified on Exhibit A. The Staffing Company will provide these staffing services in accordance with the terms of this Agreement and specifically will assume responsibility for the following: the direction, coordination, oversight, supervision and control of the Assigned Employees and subcontractors; handling any complaints or problems relating to the Assigned Employees and subcontractors, and counseling the Assigned Employees and subcontractors as necessary; the prompt investigation and remediation of complaints or alleged violations of Law (defined below) with regard to Assigned Employees or subcontractors ("Alleged Claims"); promptly notifying Technicolor of all Alleged Claims; maintaining personnel, I-9, drug testing, background check, and payroll records; making timely payment of all wages due to the Assigned Employees; paying, withholding and transmitting payroll taxes; making all required unemployment contributions; handling unemployment and workers' compensation claims involving Assigned Employees; maintaining workers' compensation insurance; removing any Assigned Employee from Technicolor's worksite at the request of Technicolor; and ensuring that appropriate documentation is maintained regarding the removal of any Assigned Employee from Technicolor's worksite. Staffing Company agrees to make available copies of any Assigned Employee's drug testing and background check records, upon reasonable demand by Technicolor. Further, upon reasonable demand, Staffing Company will make available information regarding any investigation of an Alleged Claim and the results of the same. If Staffing Company is notified by any government entity or individual of any potential liabilities for Technicolor related to an Alleged Claim, Staffing Company shall fully cooperate, at Staffing Company's expense, with Technicolor's efforts to object to, defend against, or appeal any such potential liability. Further, Staffing Company shall not, in communications with any government agency or individual, or in any filing or pleading, characterize the Assigned Employees as common law employees of Technicolor.
- b. Warranty; Quality Assurance. In the event that Technicolor is not satisfied with the performance of any Assigned Employee and only on the Assigned Employee's first day assigned to Technicolor, then, upon Technicolor's written request, Staffing Company will remove the Assigned Employee with whom Technicolor is not satisfied from assignment, relieve Technicolor of the obligation to pay for the number of hours specified on Exhibit A and worked by the same Assigned Employee, and use its best efforts to provide a replacement Assigned Employee as soon as practicable (the "Limited Warranty"). Technicolor must notify Staffing Company as soon as possible that the Assigned Employee is not acceptable, and this notification must be received within the eight (8) hour shift that the Assigned Employee is working in order for the Limited Warranty to be invoked. The performance of Assigned Employees kept on assignment on their first day at a Technicolor location for more than four (4) hours, will be deemed satisfactory through the date of any replacement, and Technicolor will be required to pay for all hours actually worked by such Assigned Employees. Further, Technicolor shall have the right to develop, adopt and implement on at least an annual basis Technicolor and/or user satisfaction surveys, Annual or Quarterly business reviews, Staffing Company performance reviews, and any other

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surveys and reviews as deemed appropriate by Technicolor. The content, scope, method and timing of such surveys and reviews shall be developed jointly between Technicolor and Staffing Company. Staffing Company shall (i) reasonably support such surveys and reviews to the extent requested by Technicolor; and (ii) reasonably work with Technicolor to increase Technicolor and/or user satisfaction and Technicolor and/or user performance on an ongoing basis. At Technicolor's request, Staffing Company shall meet with and discuss with Technicolor the results of such surveys and reviews, and shall prepare a reasonable plan for improvement of Technicolor satisfaction and performance. Such surveys and reviews, and Staffing Company's assistance to Technicolor in improving Technicolor and/or user satisfaction and performance, shall be factors to be considered by Technicolor in evaluating Staffing Company's qualifications relative to the performance of additional services under the Agreement. Performance metrics for Staffing Company's performance of services are set forth in Exhibit H.

- c. Employee Waiver. It is agreed that Assigned Employees are employees of Staffing Company and not of Technicolor. Assigned Employees will not be entitled to participate in any programs or benefit plans Technicolor may offer to its employees, including but not limited to paid holidays, vacations, disability coverage, healthcare coverage, insurance, and pension or other retirement plans. Staffing Company will require new Assigned Employees to sign the Agreement and Waiver attached as Exhibit G before they begin any work described on Exhibit A. Staffing Company will maintain a copy of the fully executed Agreement and Waiver for all Assigned Employees, which will be made available to Technicolor upon request.
- d. Compliance with Laws. Staffing Company agrees that it will comply with all federal, state and local laws with regard to Assigned Employees and subcontractors, including, but not limited to, the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e et seq., the Civil Rights Act of 1866, 42 U.S.C. § 1981, the Age Discrimination in Employment Act, 29 U.S.C. § 621 et seq., (including but not limited to the Older Worker's Benefit Protection Act), the Americans with Disabilities Act of 1990, as amended, 42 U.S.C. § 12101 et seq., the Fair Labor Standards Act of 1938, as amended, 29 U.S.C. § 201 et seq., the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 701 et seq., the Family and Medical Leave Act, 29 U.S.C. § 2601, the Employee Retirement Income Security Act, 29 U.S.C. § 1001, et seq., the Occupational Safety and Health Act, 29 U.S.C. § 651 et seq., the Federal Immigration and Nationality Act, 8 U.S.C. 1324 et seq., the National Labor Relations Act, and all other applicable federal, state and local labor, employment, civil rights, human rights, fair employment, wage, hour, health and safety, and employment standards laws. Further, Staffing Company agrees that it will verify the identity and employment eligibility of each Assigned Employee, fully and accurately complete and retain a Form I-9 for each Assigned Employee in accordance with applicable law, and refrain from discriminating against any Assigned Employee due to the Assigned Employee's national origin or citizenship. Upon reasonable demand, Staffing Company will produce copies of Form I-9 for all Assigned Employees to Technicolor and Technicolor retains the right to inspect any Assigned Employee's Form I-9 to confirm compliance with any federal or state law or regulation.
- e. Agreement Regarding Confidential Information, Customer Content, Inventions, Employees and Creative Works. Staffing Company agrees that all Assigned Employees are required to sign the Confidentiality Agreement for Staffing Company Employees Working on Technicolor Projects attached as Exhibit I before they begin any work described on Exhibit A. Staffing Company will maintain a copy of the fully executed Assigned Employee Confidentiality Agreement, which will be made available to Technicolor upon request.
- f. Onsite Representative; Leads. For each 25 Assigned Employees, Staffing Company shall provide one lead to provide supervision of Assigned Employees. These lead positions will be invoiced to Technicolor at the billed rates in Exhibit A. Further, upon Technicolor's request, Staffing Company agrees to provide to Technicolor a Staffing Company employee to serve as the onsite representative per shift for the Assigned Employees at no additional cost to Technicolor.

g. Coverage to Comply with the Employer Mandate.

(1) Staffing Company shall offer medical coverage to all of its full-time employees covered by this contract, and the dependents of these employees. Such coverage may be offered and provided in a manner and form that meets the requirements of Section 4980H of the Internal Revenue Code and regulations and guidance issued thereunder ("the Employer Mandate"), including Treas. Reg. § 54.4980H-4(b)(2), as it relates to staffing firms, as amended from time to time. For this purpose, full-time employee and dependent will be defined in a manner consistent with the Employer Mandate. Coverage, if provided pursuant to this section, may be minimum essential coverage, providing minimum value and/or meeting the affordability standards, as these terms are defined by the Employer Mandate. For each employee who elects medical coverage pursuant to this section, Technicolor shall pay \$0.05 for each regular hour Staffing Company invoices Technicolor for the services of such covered employee. Staffing Company's invoices shall separately reflect the additional charges with respect to employees who have elected coverage. In no event shall Technicolor pay any amount beyond previously agreed upon amounts with respect to any employee without medical coverage in a particular month.

(2) To the extent Technicolor is obligated to offer coverage under the Employer Mandate for the Assigned Employees (and their dependents, as applicable), coverage offered by Staffing Company pursuant to this section shall be deemed to be offered by Technicolor. Staffing Company shall be solely responsible for, and shall defend, reimburse, indemnify, and hold Technicolor harmless for, any liabilities of Staffing Company or Technicolor under Code § 4980H with respect to full-time employees of Staffing Company covered by this Agreement that result from Staffing Company's failure to: offer minimum essential coverage under an eligible employer-sponsored plan each within the meaning of the Employer Mandate; or offer coverage that is affordable or provides minimum value, each within the meaning of the Employer Mandate. If Staffing Company is notified by any government entity of any such potential liabilities for Technicolor, Staffing Company shall fully cooperate, at Staffing Company's expense, with Technicolor's efforts to object to or appeal any such potential liability. Further, Staffing Company shall not, in communications with any federal agency or insurance exchange, characterize the Assigned Employees as common law employees of Technicolor.

h. BACKGROUND CHECKS / DRUG SCREENS

(1) CRIMINAL HISTORY BACKGROUND CHECKS. Technicolor requires that Staffing Company conduct a criminal history background check in accordance with this Section for each Assigned Employee (the "Background Check"). Staffing Company shall complete the Background Check for an Assigned Employee no sooner than one (1) year prior to the date such Assigned Employee begins performing work at a Technicolor site. If previously assigned Assigned Employee has no assignment at a Technicolor facility for a period exceeding one (1) year, Staffing Company shall conduct a new Background Check for such Assigned Employee in conjunction with reassigning him or her to Technicolor's facility.

(2) Staffing Company shall conduct the Background Checks in accordance with all applicable laws, including but not limited to the Fair Credit Reporting Act and similar state laws. Staffing Company will only submit Assigned Employees that it deems qualified for the position requested after reviewing the results of the candidate's Background Check. Staffing Company represents that it has reviewed the Equal Employment Opportunity Commission's ("EEOC") Guidance on the use of criminal-background checks and that its candidate-screening policy complies with the procedures and principles set forth in the EEOC's Guidance. Staffing Company represents that it will comply with all aspects of the Fair Credit Reporting Act and similar applicable state and local laws in connection with Background Checks.

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The Background Checks shall consist, at a minimum, of a federal and state check for felony and misdemeanor convictions in all locations where the Assigned Employee has resided or worked during the seven (7) year period immediately preceding assignment to Technicolor's facility. The criminal history check shall also include, to the extent available, a check for outstanding warrants, pending charges, and national and state sex offender registries.

Staffing Company is responsible for the cost of the Background Checks and may not bill such costs to Technicolor. Staffing Company may not use free online databases or other sources where accuracy is not assured. Staffing Company and Technicolor affirm and agree that Staffing Company shall utilize Intelifi Corporation for background screenings.

If Staffing Company elects to charge its employee for the cost of a Background Check, Staffing Company agrees and hereby certifies that it will do so only to the extent permitted by applicable laws, including but not limited to the Fair Labor Standards Act (as amended) and similar state and local laws and that, in no event will such charge reduce an applicant or Assigned Employee's wages below minimum wage or reduce any legally required overtime wages.

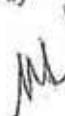
For certain positions or circumstances, Technicolor may require a criminal background check that is more extensive than the Background Check described above. In such event, Technicolor shall pay the additional cost to Staffing Company (without markup) for the more extensive criminal background check requested by Technicolor.

Staffing Company shall consult with Technicolor's onsite HR Director if the Background Check reveals that an Assigned Employee or potential Assigned Employee has a conviction, guilty plea, no contest plea, outstanding warrant or pending charge for: (a) a felony; (b) a crime involving dishonesty, fraud, theft, violence; or (c) three (3) or more other offenses (other than minor traffic violations). Before assigning such employee to Technicolor's facility, Staffing Company shall consult with Technicolor's onsite HR Director's to determine whether the offense is job-related and exclusion of such employee from Technicolor's facility is justified by business necessity in light of the nature of the job, the nature and seriousness of the offense, and the length of time since the offense occurred and shall assign such employee to a Technicolor facility only after obtaining approval in writing by Technicolor's onsite HR Director.

**(2) DRUG SCREENS.** Technicolor requires that Staffing Company conduct a drug screen in accordance with this Section for each Assigned Employee (the "Drug Screen"). Staffing Company shall complete the Drug Screen for an Assigned Employee no sooner than one (1) year prior to the date such Assigned Employee begins performing work at a Technicolor site. If previously assigned Assigned Employee has no assignment at a Technicolor facility for a period exceeding one (1) year, Staffing Company shall conduct a new Drug Screen for such Assigned Employee in conjunction with reassigning him or her to Technicolor's facility. Staffing Company shall also conduct a Drug Screen at the request of Technicolor when an Assigned Employee is involved in an accident or there is reasonable suspicion that an Assigned Employee is on Technicolor premises with alcohol or a controlled substance present in his or her system (collectively, the "Drug Screens").

Staffing Company shall conduct the Drug Screens in accordance with all applicable laws and regulations. The Drug Screens shall consist, at a minimum, of a standard five (5) panel drug screen. Staffing Company will use oral swab, saliva based screening.

Staffing Company is responsible for the cost of the Drug Screens and may not bill such costs to Technicolor. If Staffing Company elects to charge its employee for the cost of a Drug Screen, Staffing Company agrees and hereby certifies that it will do so only to the extent permitted by



applicable laws, including but not limited to the Fair Labor Standards Act (as amended) and similar state and local laws and that, in no event will such charge reduce an applicant or Assigned Employee's wages below minimum wage or reduce any legally required overtime wages.

For certain positions or circumstances, Technicolor may require a substance screening that is more extensive than the Drug Screen described above. In such event, Technicolor shall pay the additional cost to Staffing Company (without markup) for the more extensive substance screening requested by Technicolor.

A Drug Screen is mandatory when an Assigned Employee is involved in an accident or there is reasonable suspicion of a substance abuse violation; the Assigned Employee shall be subject to a drug test at the site.

Staffing Company shall provide the results of Drug Screens to Technicolor in writing in the case of all post-accident and reasonable suspicion Drug Screens and, otherwise, upon Technicolor's request and in compliance with confidentiality provision of this Agreement.

In the event of a positive result on a Drug Screen, which is confirmed by the testing facility, Staffing Company shall advise Technicolor in writing and follow Staffing Company's policy regarding disciplinary action and notification to its employee or applicant. Staffing Company shall adhere to Technicolor's Substance Abuse Policy attached hereto as Exhibit B.

- i. **TECHNICOLOR'S SUBSTANCE ABUSE POLICY.** Staffing Company shall maintain and enforce a Substance Abuse Policy that closely adheres to Technicolor's Substance Abuse Policy. A copy of Technicolor's Substance Abuse Policy is attached hereto as Exhibit B for Staffing Company's development of or amendment to its own Substance Abuse Policy. Staffing Company shall ensure that all Assigned Employees have signed a consent form agreeing to the requirements of Staffing Company's Substance Abuse Policy.
- j. **TECHNICOLOR'S EXIT SEARCH POLICY AND DRESS CODE POLICY.** Staffing Company acknowledges that enhanced exit search procedures are in place at Technicolor premises cited in Agreement. Staffing Company agrees to prepare Assigned Employees in advance for this exit search process by including thorough review of the requirements during orientation training. Staffing Company acknowledges the importance of compliance with Technicolor's exit search policy to the expedient daily exit of Assigned Employees from the facility, the protection of Technicolor property, and the protection of property belonging to Technicolor's end customers. In the event U.S. Department of Labor or the state/local equivalent deems this exit search as compensable time, Technicolor agrees that this time shall be invoiced to Technicolor at the billed rates in Exhibit A. Additionally, Staffing Company shall enforce Assigned Employees' compliance with Technicolor's Dress Code Policy. A copy of Technicolor's Dress Code Policy is attached hereto as Exhibit C for Staffing Company's development of or amendment to its own Dress Code Policy.
- k. **TECHNICOLOR'S THEFT/PIRACY PREVENTION.** Staffing Company shall also ensure communication of and Assigned Employee compliance with Technicolor's Theft /Piracy Prevention Exhibit attached hereto as Exhibit D. Technicolor may amend such Exhibit from time to time as it deems appropriate. In such event, Technicolor shall provide Staffing Company with a copy of the amended Exhibit, which Staffing Company shall promptly communicate to all Assigned Employees.
- l. **CUSTOMER INFORMATION SERVICES MEDIA STORAGE DEVICE CONTROLS IMPLEMENTATION GUIDE.** Staffing Company acknowledges and agrees to inform Assigned Employees that personal cellular phones, recording devices, and any media with recordable formats referenced in the Agreement (PDAs, cameras, flash drives, etc.) are not permitted in Technicolor's manufacturing areas. All such devices and media must be stowed in a locker outside the manufacturing

areas until the end of the work shift. Staffing Company shall communicate these policies to all Assigned Employees and ensure that all Assigned Employees comply with these policies. Technicolor may amend such policies from time to time as it deems appropriate. In such event, Technicolor shall provide Staffing Company with copies of the amended policies, which Staffing Company shall promptly communicate to all Assigned Employees.

- m. **CUSTOMER'S SOCIAL MEDIA POLICY.** Staffing Company shall communicate Technicolor's Social Media Policy to all Assigned Employees and ensure compliance with such policy by all Assigned Employees. A copy of Technicolor's current Social Media Policy is attached hereto as Exhibit E. Technicolor may amend such policy from time to time as it deems appropriate. In such event, Technicolor shall provide Staffing Company with a copy of the amended Social Media Policy, which Staffing Company shall promptly communicate to all Assigned Employees.
- n. **VIOLENCE IN THE WORK PLACE.** Staffing Company shall also ensure communication of and Assigned Employee compliance with Violence in the Work Place Exhibit attached hereto as Exhibit J. Technicolor may amend such Exhibit from time to time as it deems appropriate. In such event, Technicolor shall provide Staffing Company with a copy of the amended Exhibit, which Staffing Company shall promptly communicate to all Assigned Employees.
- o. **REPORTS**
  - i. Staffing Company will provide Technicolor, with a daily fill report in a form to be provided by Technicolor.
  - ii. Staffing Company will provide a monthly Sourcing report, due on the 10<sup>th</sup> day of the following month in the specified template format and submitted via email attachment to the attention of the Sourcing Commodity Manager. The report will include the following:
    - Assigned Employee Name, Job Title, Business Location, Business Unit Name, Staffing Company Team Lead that - that Assigned Employee Reports to, Assigned Employee Start Date, Assigned Employee End Date (if known), Exempt/Non Exempt, Regular Pay Rate, Regular Mark-up, Regular Bill Rate, Over Time Pay Rate, Over Time Bill Rate, Total Regular Hours for Month, Total OT hours for Month, Total Dollars billed for Regular Time for Month, Total Dollars billed for Over Time for Month, Total dollars billed for regular and overtime for month.
- p. **Subcontracting.** Staffing Company may not subcontract any of its obligations hereunder to secondary vendors unless it obtains Technicolor's prior written consent.
- q. **Confidentiality.** Both Technicolor and Staffing Company acknowledge that each may receive information that is proprietary or confidential to the other Party or the other Party's affiliated companies and their clients. The Parties agree to hold such information in strict confidence and not to disclose such information to third parties or to use such information for any purpose whatsoever other than performing hereunder or as required by law. Both Technicolor and Staffing Company agree to immediately notify the other Party if either Party anticipates or should reasonably anticipate a judicial or administrative process that will require the other Party to disclose any proprietary or confidential information, and shall inform such judicial or administrative process of its non-disclosure obligations under this Agreement.
- r. During the term of this Agreement, Staffing Company shall not either personally or through any agent, person, company or firm: (i) solicit or cause to be solicited, directly or indirectly, approach or encourage to leave the employee of Technicolor (or its affiliates) any person who is or has been an employee or consultant of Technicolor (or any affiliate), to work for a Competitor; and (ii) canvass or solicit business, orders or customers for services (including, without limitation, transportation services, fulfillment of advertising, publicity and marketing materials, and disc duplication and distribution or



information services related thereto) similar to those being provided in the course of any business of Technicolor, from any person, company, or firm which, at the time of termination of this Agreement had been a customer of Technicolor, or an affiliate of Technicolor, within one year prior to such termination.

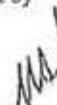
- s. Material Breach. Staffing Company agrees that any failure to complete any of the duties listed in Section 1, and all of its subparts, of this Agreement will be considered a material breach of this Agreement.

## 2. DUTIES OF TECHNICOLOR

- a. Orders. Technicolor shall submit orders for staffing services specifying number of Assigned Employees and positions required with no less than twenty-four (24) hours' advanced notice to Staffing Company from when such staffing services are needed ("Order(s)"). For the avoidance of doubt, the parties agree that Technicolor is not required to place any Order(s) or accept any Assigned Employees at any time.
- b. Technicolor Benefits. Technicolor will not offer or promise any Assigned Employee increased compensation or benefits under any Technicolor-provided plan, and Technicolor will exclude Assigned Employees from any Technicolor-provided plan whenever possible.
- c. Technicolor-specific Training. Technicolor shall provide Technicolor specific orientation training material to Staffing Company for dissemination to Assigned Employees.

## 3. MUTUAL DUTIES

- a. Quarterly Review Meetings. Senior-level employees or officers of both parties will meet at least as frequently as quarterly to discuss the performance of the Agreement.
- b. Permits and Licenses. Staffing Company will maintain in effect during the term of this Agreement any and all federal, state and/or local licenses and permits which may be required of staffing employers generally. Technicolor will maintain at its expense such licenses and permits as may be required by applicable authorities in order to engage in Technicolor's business.
- c. Notification of Complaints and Incidents. With regard to the Assigned Employees or subcontractors covered by this Agreement, Technicolor and Staffing Company agree to promptly inform each other of all formal and informal complaints, allegations, or incidents relating to alleged misconduct by any Assigned Employee or subcontractor, threat of violence, workplace safety violation, and any Alleged Claim of which it becomes aware, regardless of the source, including, but not limited to, allegations of harassment, discrimination, failure to pay wages when due, wage or hour violation, missed meal or break period, violations of the Occupational Safety and Health Act, unlawful disclosure of medical or other protected information, violation of the Health Insurance Portability and Accountability Act, violation of any United States immigration law or regulation, and violation of any other Laws. To the extent commercially reasonable, Technicolor and Staffing Company shall provide a complete and accurate disclosure of all circumstances surrounding such matters. Staffing Company shall take immediate steps to investigate any such complaint or allegation and take appropriate action. Technicolor shall retain the right to conduct its own investigation and to request that Staffing Company remove the Assigned Employee.
- d. Cooperation. The parties agree to cooperate fully and to provide assistance to each other in the investigation and resolution of any complaints, claims, actions or proceedings which may be brought by or involve any Assigned Employee.



- c. Notification of Accidents. Staffing Company will provide workers' compensation insurance coverage for Assigned Employees (except that workers' compensation liability may be limited as provided in Section 6). The parties agree to immediately notify each other of any injury or accident occurring while Assigned Employees are performing work for Technicolor and any claim for workers' compensation benefits involving Assigned Employees.
- f. Safety Compliance. Technicolor will provide all Assigned Employees with a safe worksite and will provide legally required information, training, and safety equipment with respect to any hazardous substances or conditions to which Assigned Employees may be exposed at the worksite. Staffing Company agrees to immediately notify Technicolor of any reported or suspected unsafe working condition or unsafe equipment. Staffing Company will, at the request of Technicolor, instruct Assigned Employees on general safety matters in accordance with information provided to Staffing Company by Technicolor.
- g. Compliance with Law. Staffing Company shall comply with all applicable federal, state, and local laws and regulations governing the provision of staffing services and Staffing Company's business generally, including but not limited to federal, state and local wage and hour laws, wage payment laws, civil or human rights laws, equal employment opportunity, and anti-discrimination laws. Further, Staffing Company shall comply with all statutory and regulatory requirements for employee leaves of absence, including the Family and Medical Leave Act and any similar state or local law.

#### 4. PAYMENT

- a. Payment. Technicolor agrees to pay Staffing Company for its performance hereunder at the rates set forth on Exhibit A and also agrees to pay any additional costs or fees set forth in this Agreement. Staffing Company will invoice Technicolor, at the address in Section 10(j) below. Payment will be due within [seventy-five (75)] days from date of invoice. Technicolor shall have no obligation to pay invoices that are not submitted within sixty days of services. Amounts invoiced for work performed by Assigned Employees will be calculated on the basis of hours shown on Staffing Company's time-keeping data. Technicolor or Technicolor's designated representative will certify Staffing Company's time slips, verifying that the hours shown are correct and authorizing Staffing Company to bill Technicolor for the hours worked by the named Assigned Employee.
- b. Additional Payment Terms
  - (i) Payment for Overtime. Unless the Staffing Company is required by federal, state or local law or regulation to compensate an Assigned Employee at a rate in excess of such Assigned Employee's regular hourly rate (as defined pursuant to applicable federal, state or local law), Staffing Company shall invoice Technicolor for hours worked by such Assigned Employee at the base labor rate. In the event Assigned Employees are requested and/or required to work overtime (as established pursuant to applicable federal, state or local law) and to the extent Staffing Company is required by applicable federal, state or local law, statute or regulation to compensate Assigned Employees for such overtime hours worked at a rate which is in excess of the base labor rate, Staffing Agency shall invoice Technicolor for such overtime hours at an Overtime Billable Hourly Rate, which shall be equal to the Regular hourly pay rate x OT percent increase (as required by law) x the negotiated overtime mark-up.
  - (ii) Sales Tax. Any sales, use, excise or other such tax levied as a result of performance hereunder will be paid by Technicolor.

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(iii) Conversion During Agreement. During the term of this Agreement and in accordance with Exhibit A Section K, in the event Technicolor hires an Assigned Employee as Technicolor's employee in order to perform services for Technicolor at Technicolor's facilities, Technicolor will incur no additional costs hereunder.

## 5. TERM AND TERMINATION

- a. Term. This Agreement will be for a term of one (1) year from the Effective Date of this Agreement unless earlier terminated or renewed. The Parties may renew or extend this Agreement at any time by mutual written agreement. Continuation of business without such written renewal shall be deemed to be a renewal for an additional one (1) year(s) term, on the existing terms, conditions and prices. The parties shall meet at least three (3) months prior to termination to examine the conditions under which this Agreement may be renewed.
- b. Termination for Convenience. Technicolor may terminate this Agreement for any reason upon thirty (30) days' written notice to Staffing Company. Staffing Company may terminate this Agreement for any reason upon sixty (60) days' written notice to Technicolor.
- c. Termination for Cause. Notwithstanding any other provision of this Agreement either party may terminate this Agreement immediately in the event the other party declares or becomes bankrupt or insolvent, dissolves or discontinues operations. Either Party may terminate this Agreement at any time by written notice in the event the other Party fails to comply with any material provision of this Agreement and fails to cure such material breach within thirty (30) calendar days of written notice of such breach. Notwithstanding the above, where a material breach involves safety issues or where undisputed amounts on invoices are past their due dates (older than 75 days from invoice date), the cure period for such breach will be ten (10) calendar days of written notice of the breach.
- d. Effect of Termination. Upon termination of this Agreement, Staffing Company will promptly provide an invoice to Technicolor for all fees incurred by Technicolor under this Agreement. Technicolor will pay all amounts set forth on the invoice within sixty (60) days of receipt in accordance with section 4(a) above. Staffing Company shall immediately return to Technicolor all confidential or proprietary information relating to Technicolor.
- e. Technicolor Options upon Termination. Notwithstanding any other provision of this Agreement, if Technicolor terminates this Agreement but desires to have Assigned Employees continue to work at Technicolor's facilities, Technicolor may elect on or before the effective termination date to hire such Assigned Employee directly in order to perform services for Technicolor or at Technicolor's facilities. This section 5(e) does not prohibit Staffing Company from continuing to utilize its Assigned Employees at other available assignments in conjunction with a termination of this Agreement.

## 6. INDEMNIFICATION AND LIMITATION OF LIABILITY

- a. Staffing Company agrees to indemnify, defend, and hold harmless Technicolor (including its subsidiaries, affiliates, and related companies and its respective officers, agents, and employees) from and against any and all liability, loss, damages, costs, attorneys' fees, or other expenses of any kind, which arise out of any claim or suit for damages, injunction, or other relief, on account of (i) injury to or death of any person, (ii) damage to any property, (iii) public charges and penalties, or (iv) any demand, liability, or lien whether caused by, resulting from, or in connection with any breach by Staffing Company of this Agreement or any negligent act or omission of Staffing Company (including any of its officers, agents, employees, or subcontractors) arising from the performance of this Agreement and/or arising from the conduct of an Assigned Employee (but excepting the gross negligent acts or omissions solely of Technicolor). In addition, Staffing Company assumes all liability for any injuries or damages



to its agents, employees, or persons present at its request on Technicolor's premises, regardless of whether such agent, employee, or other person is, at the time of such injury or damage, acting outside the scope of his/her employment or other authority. Staffing Company shall indemnify Technicolor (including its officers, agents, and employees) from and against all claims, liability, fines, penalties, or costs arising from Staffing Company's failure to comply with all applicable Laws (defined below). Staffing Company shall, at its expense, defend against all lawsuits and actions of a judicial or administrative nature resulting from any such failure to which the foregoing indemnity provisions pertain. Technicolor shall have the right, but shall not be required, to participate in such defense without limiting Staffing Company's indemnity obligation under this Agreement. This indemnification and limitation of liability provision shall survive the termination or expiration of this Agreement.

- b. Technicolor shall indemnify, defend and hold harmless Staffing Company, its officers, directors, employees, and agents from and against all claims to the extent arising out of or caused by, directly or indirectly, (i) any negligent act, error, or omission of Technicolor, its subcontractors or their respective officers, directors, agents, subcontractors, invitees or employees; and (ii) any breach of Technicolor's obligations, warranties, or representations as set forth in this Agreement. For the avoidance of doubt, the foregoing shall not apply to any claims arising out of or solely caused by the negligence or willful misconduct of Staffing Company or its agents or employees, including an Assigned Employee.

The term "Laws" as used in this Agreement, shall be defined as (i) any claim of breach of an actual or implied contract of employment by any Assigned Employees; (ii) any claim of unjust, wrongful, or tortious discharge (including any claim of fraud, negligence, retaliation for whistleblowing, or intentional infliction of emotional distress) by any Assigned Employees; (iii) any claim of defamation or other common-law action by any Assigned Employees; (iv) any claims of violations arising under the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e et seq., the Civil Rights Act of 1866, 42 U.S.C. § 1981, the Age Discrimination in Employment Act, 29 U.S.C. § 621 et seq., (including but not limited to the Older Worker's Benefit Protection Act), the Americans with Disabilities Act of 1990, as amended, 42 U.S.C. § 12101 et seq., the Fair Labor Standards Act of 1938, as amended, 29 U.S.C. § 201 et seq., the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 701 et seq., the Family and Medical Leave Act, 29 U.S.C. § 2601, the Employee Retirement Income Security Act, 29 U.S.C. § 1001, et seq., the Occupational Safety and Health Act, 29 U.S.C. § 651 et seq., the Federal Immigration and Nationality Act, 8 U.S.C. 1324 et seq., the Worker Adjustment Retraining Notification Act, the National Labor Relations Act by any Assigned Employee, Staffing Company, or any governmental agency; (v) any laws, rules, and regulations involving, but not limited to, employment of labor, hours of labor, working conditions, and payment of taxes such as unemployment taxes and Social Security or other payroll taxes, including applicable contributions from its employees as required by law; and (vi) any other employment-related federal, state, local, or other statute, ordinance, common law or other law including, but not limited to laws related to claims for wages, vacation pay, insurance, welfare benefits, or any other benefits of employment.

- d. NEITHER PARTY SHALL BE LIABLE FOR OR REQUIRED TO INDEMNIFY THE OTHER PARTY FOR ANY INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, SPECIAL, OR PUNITIVE DAMAGES, INCLUDING LOST PROFIT, REGARDLESS OF HOW CHARACTERIZED, THAT ARISE FROM THE PERFORMANCE OF THIS AGREEMENT OR IN CONNECTION WITH THIS AGREEMENT AND REGARDLESS OF THE FORM OF ACTION (WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE) EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
- e. The parties each agree to promptly give notice to the other after its receipt of any claim, demand, or notice for which indemnification hereunder may be sought, and to cooperate in the investigation and defense of any such claim, demand, or notice. The indemnitee shall have the right to approve the indemnitor's selection of counsel, such approval not to be unreasonably withheld.

## 7. INSURANCE

- a. Staffing Company's Insurance. Within five (5) days after the execution of this Agreement, Staffing Company will deliver to Technicolor copies of certificates of the insurance policies described below. All such certificates will be executed by authorized representatives of the insurers. Staffing Company will maintain all such insurance policies in full force and effect at all times during the performance of this Agreement.
  - (i) Workers' Compensation Insurance will have statutory limits.
  - (ii) Employers Liability Insurance will have limits of at least \$1,000,000 for each accident or disease.
  - (iii) Comprehensive General Liability and Property Damage Insurance, including coverage for products and completed operations, will have limits of at least \$2,000,000 for each occurrence.
  - (iv) Excess Automobile Liability Insurance, will have limits of at least \$1,000,000 for each occurrence.
  - (v) Umbrella Coverage will have limits of at least \$2,000,000 per occurrence and shall follow the forms of the underlying insurance policies.
- b. The Certificates of Insurance shall include the following conditions:
  - (i) The Certificate Holder shall be: Technicolor Videocassette of Michigan, Inc. and its subsidiaries, affiliates, and related companies.
  - (ii) The Certificate shall contain a provision that the policy shall not be cancelled or materially changed without 30 days' prior written notice to the Certificate Holder.
  - (iii) The Workers' Compensation and Employers' Liability policy will contain a waiver of subrogation by the insured and insurance company against the Certificate Holder (to the extent permitted by applicable state law).
  - (iv) The Certificate shall indicate that the Certificate Holder has been included as an additional insured under the policies (excluding workers' compensation and employers' liability).
- c. Insurance of the Staffing Company's Subcontractors. If Staffing Company utilizes subcontractors for the performance of any Services for Technicolor, Staffing Company will require all its secondary vendors to carry, at a minimum, Workers' Compensation Insurance as required by the states in which they operate, a Comprehensive General Liability and Property Damage Insurance with limits of at least \$1,000,000 per occurrence and \$2,000,000 in the aggregate; and Excess or Umbrella Coverage with limits of at least \$2,000,000 per occurrence. Staffing Company may require its subcontractors to maintain additional insurance.

## 8. ASSIGNMENT OF INTELLECTUAL PROPERTY TO TECHNICOLOR

Any discoveries, inventions, concepts, or ideas (including improvements and modifications thereto) (unrelated to Staffing Company's HRIS or STARS systems mentioned herein below) made or conceived solely or jointly with others by any Assigned Employee in connection with work to be performed pursuant to this Agreement will be the property of Technicolor as "work made for hire" to the extent provided by sections 101 and 201(b) of the Copyright Act, 17 U.S.C. §§ 101, et seq. To the extent any discovery, invention, concept, or idea will be determined not to be a "work made for hire," Staffing Company hereby assigns, and agrees to assign, to Technicolor, all right, title, and interest in such discovery, invention, concept, or idea including the

copyright therein. Technicolor will have the right to file and prosecute, at its own expense, all patent applications, whether U.S. or foreign, on said discoveries, inventions, concepts, or ideas. Notwithstanding the above, Staffing Company's proprietary Human Resource Information System (HRIS) and time and attendance system (Staff Line Time and Attendance Reporting System - STARS) are the sole and exclusive property of Staffing Company. Technicolor acknowledges that Staffing Company and/or its agents retain all right, title and interest in these systems, programs, operating instructions, documentation and other materials prepared by Staffing Company or used to provide services hereunder. Technicolor further acknowledges that this Agreement grants Technicolor a limited license to use these systems solely for Technicolor's own internal purposes pursuant to this Agreement but in no way conveys any ownership right.

#### 9. REMEDIES

- a. Arbitration. Any controversy or dispute between the parties, whether arising out of or in connection with this Agreement or otherwise, shall be resolved in an arbitration under the Federal Arbitration Act and before the American Arbitration Association (AAA) in accordance with AAA's then existing Commercial Arbitration Rules at a location in Indianapolis, IN or Los Angeles, CA. The administrative cost of the arbitration and the arbitrators' fee shall be shared equally by the parties.
- b. Procedures. To initiate arbitration, the initiating party must give written notice of the demand for arbitration to the other party. In such arbitration, one (1) arbitrator shall be selected to hear the dispute. The arbitrator shall have no authority or power to amend, modify, or in any other way change any of the terms of this Agreement. All decisions of such arbitrator shall be final and binding upon both parties. The prevailing party in such Arbitration as determined exclusively by the arbitrator shall be awarded an amount equal to its reasonable attorneys' fees incurred in connection with such arbitration, in addition to what other relief may be awarded. Judgment upon any award rendered by the arbitrators may be entered in any court having proper jurisdiction.

#### 10. MISCELLANEOUS

- a. Survival of Certain Provisions. Except as expressly set forth herein, those provisions of this Agreement that by their terms extend beyond the termination or non-renewal of this Agreement will remain in full force and effect and survive such termination or non-renewal.
- b. Severability. Each provision of this Agreement will be considered severable such that if any one provision or clause conflicts with or may not be given full effect because of existing or future applicable law, this will not affect any other provision that can be given effect without the conflicting provision or clause.
- c. Entire Agreement and Amendment. This Agreement and the Exhibits attached hereto contain the entire understanding between the parties and supersede all prior agreements and understandings relating to the subject matter. No provision of this Agreement may be amended or waived unless such amendment or waiver is agreed to in writing signed by both parties.
- d. Headings. The headings of the Sections of this Agreement are inserted solely for the convenience of reference. The headings will in no way define, limit, extend, or aid in the construction of the scope, extent or intent of this Agreement.
- e. Waiver. The failure of a party to enforce the provisions of this Agreement will not be construed as a waiver of any provision or the right of such party thereafter to enforce any provision of this Agreement.
- f. Transferability. Neither Party may transfer or assign this Agreement without the other party's written consent, which consent shall not be unreasonably delayed or withheld.

g. **Ambiguities.** The rule of construction that ambiguities in an agreement are to be construed against the drafter will not be invoked or applied in any dispute regarding the meaning or interpretation of any provision of this Agreement.

h. **Counterparts.** The parties may execute this Agreement in any number of duplicate originals, each of which constitutes an original, and all of which, collectively, constitute only one agreement. The signature of all the parties need not appear on the same counterpart, and delivery of an executed counterpart signature page is as effective as executing and delivering this Agreement in the presence of the other parties to this Agreement. Any party delivering an executed counterpart of this Agreement by facsimile shall also deliver a manually executed counterpart of this Agreement, but the failure to do so does not affect the validity, enforceability, or binding effect of this Agreement.

i. **Independent Contractor.** Nothing contained in this Agreement will be construed to create the relationship of principal and agent, or employer and employee, joint venture or partner between Staffing Company and Technicolor. Staffing Company does not and will not hold itself out as having any right, power, or authority to create a contract or obligation on behalf of Technicolor. Staffing Company agrees to be solely responsible for all taxes, whether federal, state, or municipal, and for all FICA costs that may be imposed or that accrue in relation to Assigned Employees, the work performed by Assigned Employees for Technicolor, and the performance of this Agreement.

j. **Notices.** Any notice or other communication will be deemed to be properly given only when sent via the U.S. Mail, postage prepaid and return receipt requested, or via a nationally recognized courier, addressed to the following:

Staff Line, LLC 6055 Primacy Parkway, Suite 300 Memphis, TN 38119  Attn: Mark Story, President	Technicolor Videocassette Of Michigan, Inc. 3233 E. Mission Oaks Boulevard Camarillo, CA 93012 Attn: General Counsel  With Copy to:  Technicolor Videocassette Of Michigan, Inc. 3233 E. Mission Oaks Boulevard Camarillo, CA 93012 Attn: Commodity Sourcing Manager, Indirect
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k. **Force Majeure.** Neither party will be responsible for failure or delay in performance of this Agreement if the failure or delay is due to labor disputes, strikes (including but not limited to strikes of Technicolor and/or Staffing Company), fire, riot, war, terrorism, pandemic, acts of God, or any other causes beyond the control of the non-performing party.

l. **Choice of Law and Venue.** This Agreement will be governed in all respects, including validity, construction, interpretation, and effect by the laws of the State of California without regard to its conflicts of law principles. Except as provided for in Section 9 above, the parties consent to the jurisdiction of the federal or state courts in the State of California for the resolution of any disputes in connection with this Agreement.

IN WITNESS WHEREOF, this Agreement has been duly executed by authorized signatories of Staffing Company and Technicolor on the dates set forth below.

STAFF LINE LLC

Signature

Printed Name

Title President / COO

Date 1/20/2015

TECHNICOLOR  
MICHIGAN INC.

Signature

Printed Name PATRICIA DANÉ

Title SVP FINANCE

Date 07-22-15

**EXHIBIT A**  
**JOB DESCRIPTION, PRICE SCHEDULE, SCREENING.**

THE FEES APPLIED FOR SERVICES ARE SET FORTH IN THE FOLLOWING MATRIX:

The positions below represent all positions on campus but not what has been requested of the Staffing Company. Staffing Company has been requested to fill Light Industrial positions. Technicolor may request additional positions at their discretion. There is no guarantee any additional positions will be requested.

**2015 Pay Rates for Memphis Temporary Positions**

POSITION	Hourly Pay Rate	Hourly Mark-Up Fee	Hourly Bill Rate	Over-Time Mark-Up	Conversion Charges	Wage Code	Limited Warranty
Light Industrial	\$7.25	29.0%	\$9.35	27.0%	360+ Hours - No Charge	LTIN	4 hours
Clerical Filing	\$7.50	29.0%	\$9.68	27.0%	360+ Hours - No Charge	FILN	4 hours
Catcher	\$8.25	29.0%	10.64	27.0%	360+ Hours - No Charge	CATC	4 hours
Core Temp	\$8.25	29.0%	\$10.64	27.0%	360+ Hours - No Charge	CORE	4 hours
Clerical (700/800 Operator)	\$8.75	29.0%	\$11.29	27.0%	360+ Hours - No Charge	CLKN	4 hours
Casepacker/Line Staging Auditor	\$9.00	29.0%	\$11.61	27.0%	360+ Hours - No Charge	CASE	4 hours
Forklift	\$9.00	29.0%	\$11.61	27.0%	360+ Hours - No Charge	FRKN	4 hours
Casepacker	\$9.00	29.0%	\$11.61	27.0%	360+ Hours - No Charge	CASE	4 hours
Inventory Control Clerk	\$9.00	29.0%	\$11.61	27.0%	360+ Hours - No Charge	IVCL	4 hours
Machine Operator	\$9.50	29.0%	\$12.26	27.0%	360+ Hours - No Charge	MOPR	4 hours
ForkPickReach	\$10.00	29.0%	\$12.90	27.0%	360+ Hours - No Charge	CRTN	4 hours
Lead	\$10.00	29.0%	\$12.90	27.0%	360+ Hours - No Charge	LEAD	4 hours
Skilled Machine Operator	\$10.00	29.0%	\$12.90	27.0%	360+ Hours - No Charge	SKMO	4 hours
Forklift Core Temp	\$11.00	29.0%	\$14.19	27.0%	360+ Hours - No Charge	FLCR	4 hours
Clerical Excel	\$10.25	29.0%	\$13.22	27.0%	360+ Hours - No Charge	EXCN	4 hours
Equipment Operator II	\$11.00	29.0%	\$14.19	27.0%	360+ Hours - No Charge	EOL2	4 hours
QA Auditor	\$11.00	29.0%	\$14.19	27.0%	360+ Hours - No Charge	AUDT	4 hours



## 2015 Pay Rates for Memphis Temporary Positions (Continued)

POSITION	Hourly Pay Rate	Hourly Mark-Up	Hourly Bill Rate	Overtime Mark-Up	Conversion Charges	Wage Code	Limited Warranty
Auditor	\$11.00	29.0%	\$14.19	27.0%	360+ Hours -- No Charge	AUDT	4 hours
Clerical Excel II	\$11.25	29.0%	\$14.51	27.0%	360+ Hours -- No Charge	EXC2	4 hours
Lead Equipment Operator	\$12.00	29.0%	\$15.48	27.0%	360+ Hours -- No Charge	LCRT	4 hours
Mech Tech Assistant	\$12.00	29.0%	\$15.48	27.0%	360+ Hours -- No Charge	MTAS	4 hours
Trainer/Subject Matter Expert	\$12.00	29.0%	\$15.48	27.0%	360+ Hours -- No Charge	TRSM	4 hours
Dock Coordinator	\$12.25	29.0%	\$15.80	27.0%	360+ Hours -- No Charge	DCKN	4 hours
Senior Clerical	\$12.50	29.0%	\$16.13	27.0%	360+ Hours -- No Charge	SRCL	4 hours
Senior Admin	\$13.00	29.0%	\$16.77	27.0%	360+ Hours -- No Charge	SRAN	4 hours
Coordinator	\$13.50	29.0%	\$17.42	27.0%	360+ Hours -- No Charge	CORD	4 hours
Dock Coordinator II	\$14.00	29.0%	\$18.05	27.0%	360+ Hours -- No Charge	DCII	4 hours
Inventory Systems Specialist	\$15.00	29.0%	\$19.35	27.0%	360+ Hours -- No Charge	ISSN	4 hours
Mechanical Technician	\$15.00	29.0%	\$19.35	27.0%	360+ Hours -- No Charge	MTEC	4 hours
Senior Admin II	\$15.00	29.0%	\$19.35	27.0%	360+ Hours -- No Charge	SAII	4 hours
Mech Tech II	\$16.00	29.0%	\$20.64	27.0%	480+ Hours -- No Charge	MTII	4 hours
Mech Tech II A	\$17.00	29.0%	\$21.93	27.0%	360+ Hours -- No Charge	MT2A	4 hours
Supervisor	\$18.00	29.0%	\$23.22	27.0%	360+ Hours -- No Charge	SUPR	4 hours
Technical Writer	\$19.00	29.0%	\$24.51	27.0%	360+ Hours -- No Charge	TECW	4 hours
Onsite Lead Representative	\$15.00	29.0%	\$19.35	27%	360+ Hours -- No Charge	.....	4 hours

CHARGES AND PAYMENT

A. Fees. Technicolor agrees to pay Staffing Company a fee for Staffing Company's performance of the services as described in the matrix here above and in accordance with Section 4(a). Except as provided in this Agreement, the

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rates for services provided will not be increased for a term of one (1) year from the effective date of this Agreement, subject to any changes to state or federal minimum wage requirement. Pursuant to Section 4(a) of this Agreement, Staffing Company shall submit invoices of the hours worked by the Assigned Employees on a weekly basis for approval by the Technicolor management for the area where the Assigned Employees are assigned, such approval not to be unreasonably withheld but with all due diligence. All overtime must be pre-approved by Technicolor. Except for travel and related expenses identified in Section F below, the fees identified in this section, shall constitute the entire amount owed by Technicolor for any and all services. Technicolor shall not reimburse Staffing Company for any incidental expenses, including but not limited to the following: mailing, telephone, overnight courier, or any travel expenses related to the promotion or sale of Staffing Company or its subcontractors, agents, independent contractors, representatives, advisors, employees, officers and directors products or services. Notwithstanding the above, Staffing Company's fees may be increased reasonably, by mutual agreement and written amendment to the Agreement, to reflect material changes in any State or Federal Tax Law of general application (including material increases in state unemployment tax assessment—SUTA), a material increase in workers compensation insurance premiums, or in the event Technicolor requests material changes to the Services to be rendered by Staffing Company.

- B. Subcontractors. No markup is allowed by subcontractors, agents, representatives or independent contractors or subcontractors, agents, representatives or independent contractors of subcontractors, agents, representatives or independent contractors. All rates for subcontractors, agents, leased employees, representatives and independent contractors will be calculated as if the person was an employee of the Staffing Company.
- C. Travel Time. Staffing Company shall not bill Technicolor for any Assigned Employee's travel time unless the Parties have agreed in writing prior to such Assigned Employee undertaking such travel.
- D. Technicolor Holidays and Shutdown. Staffing Company and Assigned Employees shall recognize Technicolor holidays and Technicolor shutdowns. Technicolor shall not pay Staffing Company for Technicolor holidays or Technicolor shutdowns, unless Assigned Employees are specifically requested to perform services on the holiday or during the Technicolor shutdown. Unless the Staffing Company is required by federal, state or local law or regulation to compensate Assigned Employees for such holiday time at a rate which is in excess of the base labor rate (as defined herein), Staffing Company shall invoice Technicolor for such time at the Bill Rate. In the event that federal, state or local law or regulation requires Staffing Company to compensate Assigned Employees for such holiday time at a rate which is in excess of the Bill Rate, the rate shall be calculated in accordance with the calculation related to Overtime pay.
- E. Taxes
  - (i) Staffing Company shall pay any sales, use, excise, value-added, services, consumption, and other taxes and duties imposed on any goods and services acquired, used or consumed by Staffing Company in connection with the services.
  - (ii) Technicolor shall pay when due any sales, use, excise, value-added, services, consumption, or other tax imposed by any taxing jurisdiction as of the Service Effective Date on the provision of the services or any component thereof, as the rate of such tax may change from time to time during the applicable service Term. At Technicolor's option, unless not legally permissible, Technicolor shall either pay such taxes directly to the appropriate taxing authority or Technicolor shall pay such taxes to Staffing Company as invoiced and Staffing Company shall remit such payments to the appropriate taxing authority. Staffing Company shall be responsible for properly calculating and invoicing applicable taxes on the services. If any taxing jurisdiction imposes after the Service Effective Date a new sales, use, excise, value-added, services, consumption, or other tax on the provision of the services or any component thereof, the Parties shall cooperate in attempting to reduce the amount of such tax to the maximum extent feasible. Technicolor shall be liable for any such new tax which is imposed on the charges for the provision of the services, or any component thereof, as well as such new tax on Pass-Through Expenses. Staffing Company shall be liable for any such new tax which is imposed on any charges (other than Pass-Through Expenses) incurred in order to provide the services.
  - (iii) The Parties shall cooperate with each other to enable the Parties to determine accurately their respective tax liabilities and to reduce such liabilities to the extent permitted by law. Staffing Company invoices to Technicolor shall separately state the amount of any taxes Staffing Company is collecting from Technicolor. Each Party shall provide to the other any resale certificates, exemption certificates, information regarding out-of-state or out-of-country sales or use of services, and such other similar information as the other Party may reasonably request.
- F. Invoices. All services shall be invoiced within thirty (30) days after completion of Service being billed. Staffing Company shall not invoice Technicolor for charges, and Technicolor shall not be obligated to pay any charges, that

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are not properly invoiced within three (3) months after the last date of the period of performance of services for which the invoice is rendered; provided, however, that to the extent that any charges are disputed or are being negotiated by Technicolor, the foregoing time period shall be tolled for so long as Technicolor continues to dispute or negotiate such charges or expenses.

G. **Refunds.** If either Party should receive a refund, credit or other rebate for goods or services paid for by the other Party, the recipient of such refund, credit or rebate shall promptly notify the other Party and shall pay such amount to the other Party (or, if applicable, provide a credit on the next delivered invoice) within thirty (30) days after receipt thereof.

H. **Setoff and Withholding.** Notwithstanding any other provision of this Agreement, a Party who is owed any amount by the other Party may, at its option, set off that amount as a credit against any amounts it otherwise owes to the other Party. If Technicolor disputes in good faith any portion of an invoice, Technicolor shall pay the undisputed dollar amount of such invoice when due and may, at its option, withhold the disputed portion pending resolution of the dispute by mutual agreement or pursuant to Section "Dispute Resolution" hereof. If Technicolor withholds any payment pursuant to this Section, Technicolor shall notify Staffing Company of the basis for such withholding in accordance with Notice provisions of this Agreement. Upon resolution of the dispute, Technicolor shall pay to Staffing Company such portion, if any, of the disputed amount determined to be owing to Staffing Company.

I. **Supporting Documentation.** During the term of this Agreement and for a period of three (3) years after final payment by Technicolor, all of the Staffing Company and its subcontractors, agents, independent contractors, representatives and advisors records relating directly or indirectly to services performed and amounts invoiced by the Staffing Company under this Agreement shall be open to inspection and subject to reasonable audit and reproduction by Technicolor or Technicolor's agent or representative. Staffing Company and its subcontractors, agents, independent contractors, representatives and advisors shall maintain records and supporting documentation of all financial and non-financial transactions under this Agreement sufficient to permit a complete audit thereof in accordance with this Section. Staffing Company and its subcontractors, agents, independent contractors, representatives and advisors shall, at no additional cost to Technicolor, provide to Technicolor, Technicolor's internal and external auditors access at reasonable times and after reasonable notice (unless circumstances reasonably preclude such notice) to (i) the parts of any facility at which Staffing Company is providing the services, (ii) Assigned Employees providing the services, (iii) all data and records relating directly or indirectly to the services under this Agreement, (iv) Staffing Company procurement practices in relation to performance under this Agreement, (v) practices and procedures and (vi) all Assigned Employees records relating directly or indirectly to the services provided under this Agreement. Staffing Company and its subcontractors, agents, independent contractors, representatives, advisors, employees, officers and directors shall provide full cooperation to such auditors. Notwithstanding the foregoing, if Technicolor has reason to suspect any malfeasance or dishonest acts on the part of Staffing Company or its subcontractors, agents, independent contractors, representatives, advisors, employees, officers and directors, or other significant or non-routine problems, Technicolor shall be entitled to agree to such audit of Staffing Company and its subcontractors, agents, independent contractors, representatives, advisors, employees, officers and directors as Technicolor reasonably deems appropriate without the foregoing notice or other restrictions. Technicolor and Staffing Company shall mutually agree upon an independent auditor to perform such audit. If an independent audit reasonably reveals that material operational problems or financial issues exist, Staffing Company shall reimburse Technicolor for any costs directly incurred in such audit and Technicolor may conduct a follow-up audit when reasonably deemed appropriate by Technicolor. Notwithstanding the above, Staffing Company shall have the right to be integrally involved in the audit process and reasonably reserves the right to verify audit processes and standards imposed in such audit, at Staffing Company's cost and expense. Staffing Company and its subcontractors, agents, independent contractors, representatives, advisors, employees, officers and directors shall respond promptly to any conclusions, recommendations and schedule for implementation of such recommendations reported as part of an audit. If an audit reveals that Staffing Company has overcharged Technicolor for services during the audited period in an amount equal to or in excess of five percent (5%) of the payments made to Staffing Company during the last twelve (12) month period, Staffing Company shall reimburse Technicolor for the cost of the audit in addition to the amount of any overcharges that are due Technicolor. If the audit reveals that Staffing Company has overcharged Technicolor in an amount equal to or in excess of ten percent (10%) of the payments made to Staffing Company during the last twelve (12) month period, Staffing Company shall pay interest on such overcharged amount equal to the lesser of 1.5% per month (18% per annum) or the maximum legally allowable interest rate. Staffing Company shall pay the interest to Technicolor within thirty (30) days following Technicolor's written request for such interest.

J. **TIMEKEEPING.** Staffing Company is required to put in place their own timekeeping system which interfaces with Technicolor's timekeeping system for reporting purposes. Staffing Company shall be responsible for keeping a record of all hours worked by Assigned Employees in compliance with all federal and state laws. Staffing Company shall

provide a daily file, as determined by Technicolor, of hours worked for reporting purposes. Staffing Company is required to conduct daily personnel audits, by shift, for reporting purposes.

Staffing Company is responsible for all charges and costs associated with such timekeeping.

K. **CONVERSION.** After 360 hours worked by Assigned Employees at a Technicolor location, there will be no charge for conversions. Notwithstanding the above, Technicolor shall be limited to fifty (50) conversions of Staffing Company Assigned Employees during each 12 month rolling period beginning from the Effective Date of this Agreement. If Technicolor desires to convert Assigned Employees who have worked less than 360 hours at a Technicolor location, Technicolor agrees to pay a conversion fee based upon salary equal to 10% per \$1,000.00 of the annual salary of the Assigned Employee, but not less than \$800.00, unless otherwise agreed to in writing by Staffing Company.

L. **VACATION AND HOLIDAY.** Staffing Company is responsible for Holiday and Vacation pay. Technicolor will pay for actual hours worked only.

M. **SHOW-UP PAY.** Technicolor agrees to pay Staffing Company two (2) hours of show-up pay for each Assigned Employee who arrives at Technicolor's location(s) as a result of an order placed by Technicolor in compliance with the lead times provided in this Agreement, and such Assigned Employee is not allowed to work as result of a reduction in personnel needs by Technicolor. If Staffing Company can demonstrate that attempts were made but were unsuccessful in notifying Assigned Employees and Assigned Employees actually arrive for work, Technicolor agrees to pay two (2) hour show-up pay to such Assigned Employees. Notwithstanding the above, Staffing Company's Assigned Employees may be offered the opportunity to work by Technicolor at other Technicolor locations within the first fifteen (15) minutes of the start of the shift in which Assigned Employees were ordered.

## EXHIBIT B

## HES HUMAN RESOURCES POLICIES AND PROCEDURES

Number: HES US E-005

Subject: Substance Abuse Policy

Policy Date: 05/12/2008 Latest Revision: 06/22/11

**PURPOSE:** It is the intent of Technicolor Home Entertainment Services, Inc. ("HES" or the "Company") to provide a safe, alcohol-free and drug-free work environment for all employees.

**SCOPE:** The Substance Abuse Policy applies to all employees and applicants for positions at HES facilities in the United States.

**POLICY:** The use or possession (except medically prescribed drugs being used as directed), sale, purchase, distribution, or presence in an employee's system of alcohol or drugs while on company time, on company premises or while engaged in company business is strictly prohibited. Employees violating this policy will be subject to discipline up to and including termination of employment. Technicolor reserves the right to test for alcohol and/or drugs in the event of an accident or if there is other reasonable suspicion of that an employee is in violation of this policy. Drug testing is a prerequisite for employment for new employees. Failure to give permission for such testing or to provide a suitable sample for drug/alcohol screening is grounds for termination of employment or revocation of an offer of employment.

If an employee requests help for an alcohol or substance abuse problem, Technicolor will consider reasonably accommodating the employee to receive professional assistance, provided that reasonable accommodation does not impose an undue hardship on the company and the request for help was made prior to any performance issues or conduct in violation of this policy. Human Resources can provide further information about resources available to you in your community. Any request for help or rehabilitation does not foreclose the Company's right to administer discipline, up to and including termination of employment for violations of this policy.

Prescription drugs, when taken as prescribed, do not violate this Policy. An employee must, however, report to his or her HR representative prior to beginning work if he or she is taking any medication – whether prescription or over-the-counter – that may impair safety or efficient work performance. It is the employee's responsibility to read labels and otherwise be aware of the side effects and potential impairment presented by any medication the employee is taking. Failure to report the use of medication that may impair safety or work performance may result in discipline up to and including termination of employment. Prescription drugs do violate this Policy when they are not taken in accordance with the instructions of a healthcare provider.

**PROCEDURE:****1) Post-Offer Drug Screening:**

Technicolor conditions all job offers on the satisfactory result of a post-offer substance abuse screen. Applicants for employment who test positive for drugs will

not start employment with Technicolor until the company receives his or her drug screen results. The costs for the post-offer drug screen will be paid by the company. Applicants are required to complete the consent form attached.

**2) Fitness for Duty/Reasonable Suspicion Testing:**

If the Company has reason to believe that an individual has reported to work with drugs or alcohol in his or her system in violation of this policy, management may send the employee for testing. If the test

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results are positive, the employee's relationship with the company may be terminated as a violation of this Policy.

**3) Post Accident/injury:**

Employees who have an accident causing damage to product or company property or who sustain an injury that requires medical attention may be required to submit to a drug and/or alcohol screening.

**4) Collection of Breath, Urine and Hair Specimens and Laboratory Analysis:**

Substance testing under this Policy may include analysis of a breath, urine and/or hair specimen. Employees and applicants are required to submit a suitable specimen for the type of test designated by the Company. In the case of Post-Accident testing, if the employee is seriously injured and unable to provide a specimen at the time of accident, the employee must provide the necessary authorization to allow the Company to obtain hospital reports and other documents that would indicate whether there was alcohol or any controlled substance in his/her system.

Except as provided above, refusal to submit to provide a specimen will be considered a violation of the Substance Abuse Policy and grounds for termination of employment.

The Company will retain a laboratory certified by the Department of Health and Human Services (DHHS) or other recognized certification organization to perform urinalysis or hair analysis for the detection of the presence of controlled substances. The laboratory will be required to maintain strict compliance with chain-of-custody procedures, quality control, maintenance, and scientific analytical methodologies.

The Company may use its own trained employees to conduct breath analysis or elect to send an employee to a certified testing facility.

**5) Consequences**

An employee who tests positive for alcohol or drugs is subject to termination of employment. Refusal to submit to testing will be considered a violation of the Substance Abuse Policy and grounds for termination of employment. Refusal includes, but is not limited to not providing a sample as directed, refusing to sign appropriate control or consent forms, or engaging in conduct that obstructs the testing process.

**6) Retesting**

Within 72 hours after the individual has been notified of a positive test result for drugs or alcohol when the test performed was based on analysis of a blood, urine or hair sample, he/she may request a retest of the split sample. Such request must be made in writing. The Company will pay for the retest of the split sample.

The Company reserves the right to change, modify or terminate this policy at any time.

ACKNOWLEDGEMENT OF RECEIPT AND CONSENT

I acknowledge receipt of the Home Entertainment Services Substance Abuse Policy, which includes important information regarding testing procedures and the consequences for violation of the policy.

I agree to comply with the company's policy. I understand and agree that failure to abide by the company's policy or a positive alcohol or drug test may result in termination of my employment or refusal of the company to hire or rehire me.

I hereby authorize and consent to the medical facility designated by Technicolor collecting and testing a specimen of my urine, blood or hair for the presence of drugs and/or alcohol in accordance with the Home Entertainment Services Substance Abuse Policy or sending a specimen of my urine, blood or hair to an approved testing laboratory for such testing. I also consent to the release by the laboratory and/or medical facility of substance abuse screen results to Technicolor.

Employee/Applicant's name (please print)

\_\_\_\_\_  
Signature of Employee/Applicant

\_\_\_\_\_  
Date

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**EXHIBIT C**  
**Dress Code Policy**

**HES HUMAN RESOURCES POLICIES AND PROCEDURES**

Number: HES NA E10-001

Subject: Dress Code Policy

Policy Date: 03/08/2005 Latest Revision: 10/03/2013

**PURPOSE:** The Company considers it important that our employees are neat and appropriately dressed for their job function. Appropriate dress and hygiene are important for our employees' safety as well as for promoting a positive image to our internal and external customers. Employee attire should not be offensive or provocative to our customers, visitors, vendors, or other employees; nor should it compromise the safety of the employee or the safety of other employees.

**SCOPE:** The Dress Code Policy applies to all employees, including temporary employees, at all HES facilities in North America.

**POLICY:** The following guidelines are intended as examples of appropriate dress in the manufacturing/warehouse areas as well as in the office areas. The Company's guidelines regarding appropriate dress are not intended to be all-inclusive and may be modified by management as needed.

**General Dress Guidelines for all Technicolor Employees:**

- Garments/accessories with metal studs or other embellishments should not be worn into the facilities at any time.
- Clothing should be worn and fit in such a way that it does not expose the abdomen, chest, or buttocks area.
- Shorts and skirts must be just above knee level or longer. Pants must be worn at waist level and should not expose undergarments above the waistline of the pants. Pants should be appropriately hemmed so not to allow pant legs to touch the floor.
- Shirts and tops must cover the employee's shoulders. Spaghetti straps, muscle shirts, halter tops, and tank-tops are not allowed.
- Clothing should be free of sexually related references, pictures, cartoons, or drawings, foul language, or language that suggests or promotes the use of illegal drugs.
- Form fitting, see-through, low-cut, or otherwise sexually provocative clothing is not allowed. Undergarments must be worn.
- Perfume and cologne should be kept to a minimum and should not cause a distraction to others.
- Sunglasses are not allowed to be worn within any North American HES facilities.
- Clothing, hair and jewelry should not be loose or dangle in such a way as to create a safety hazard.
- Only gloves authorized for the particular job may be worn.
- Smocks and aprons can be worn, but neck and waist straps must be breakaway.

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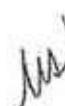
Guidelines for Employees who are assigned to a work area outside of the yellow guardrails or in administrative offices ("office staff"):

- Employees should wear "business casual" clothing that is comfortable yet still communicates professionalism.
- Examples of business casual attire includes but is not limited to: slacks, capris, khakis, polo shirts, skirts and dresses, turtlenecks, and sweaters.
- Although not considered business casual, jeans and athletic or tennis shoes are acceptable attire and are permitted at the department manager's discretion.
- Tee shirts are not considered business casual attire.
- Sweatpants are not appropriate at any time.
- When the Company has visitors, employees must dress according to business casual guidelines.

Additional Safety Dress Code Guidelines for Employees who are assigned to work areas inside the yellow guardrails, (production/warehouse areas):

(i.e. production floor, warehouse, inventory areas, dock, facilities, maintenance)

- Shirts must be tucked in. Sweatshirts and tops with elastic band bottoms do not have to be tucked in but must stop at the waist.
- Sweatshirts with hoods are permitted, but hoods must be worn down and may not have dangling draw strings.
- Footwear must be entirely closed. Shoes with open toes, heels, tops, or sides such as sandals, slippers, ballet flats, crocs, thongs or flip-flops are not allowed. Shoes with heels higher than 1 inch are not allowed. Safety shoes may be required per site specific policies.
- Hair longer than shoulder-length must be worn up. Pony tails longer than shoulder-length must be worn up. Head dresses must be tucked in.
- Jewelry: Wrist/Watch Bands must not dangle more than 1 index finger width. Bracelets are not permitted (except medical alert bracelets); hoops or dangling earrings are not permitted; eyeglass chains/lanyards must breakaway behind neck. Necklaces, chains or beads must not dangle past chin when bending forward.
- Purses, button-down and zip-down jackets and coats are not allowed in the warehouse and manufacturing areas. These and other clothing items not being worn must be hung on the employee coat rack or placed in a locker prior to passing through the Loss Prevention station at the entrance of the facility. Tying an outer-garment around the waist and storing garments in the manufacturing areas is not acceptable.
- Long sleeve cuffs must not be loose or flowing and must not pass the wrist. Neck ties and neck scarves are not allowed.
- Dresses and skirts must not have ruffles or fringes.



Bringing Items Into HES facilities:

- Oversized bags or storage items of any kind are not allowed in manufacturing or warehouse areas of any North American HES facility.
- Bags measuring larger than 8 ½ inches X 11 inches will be considered oversized and should be stored in employee lockers.
- All employees and contractors will be allowed to exit the facilities with only bags that are clear. Purses, containers, or other bags that are not clear will not be allowed to leave the facilities.
- The only exception to the clear bag requirement will be for employees who have been assigned company laptops. These will be allowed to exit the facility only in assigned laptop cases.

**RESPONSIBILITIES:**

An employee's area supervisor or manager may make further modifications to this policy due to specific attire requirements in their work area. It is recommended that employees use lockers, assigned by Loss Prevention, to secure personal property.

Managers and supervisors are responsible for interpreting and enforcing the dress code policy. If the employee's appearance is unduly distracting or unsafe, the employee may be sent home unpaid to correct the problem. Repeated disregard for this policy may result in disciplinary action up to and including termination.

The Company reserves the right to change, modify or terminate this policy at any time.

## EXHIBIT D

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## Technicolor

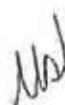
### Theft/ Piracy Prevention Exhibit

**Theft/ Piracy Prevention:**

- Prevent theft and piracy of intellectual property
- It is important that employees understand what constitutes theft, not only theft of company property, but theft of customer's property. Theft of our customer's product can jeopardize continued future business relationships. There are serious consequences for theft in our workplace for both the individual employee committing the theft, but for the company as a whole. Every employee has a responsibility to report theft or any suspicions of wrongdoing.
- Theft of our company property or customers' product hurts our customer, is harmful to us as a company, and is illegal. Theft can cause Technicolor to lose sales and its reputation. It can also lead to poor quality content in the marketplace from piracy resulting from stolen customer product. Theft jeopardizes the job security of all employees.
- Employees can do their share to help prevent theft and protect their job security by reporting to Loss Prevention any information on the replication or sale of customer product or unauthorized removal of customer product, packaging materials or company property from the workplace. By reporting theft of product, we protect our wages, benefits, and place of employment. It is Technicolor's policy to hold such reports as confidential, prosecute those involved in theft to the fullest extent of the law.

**Theft has many definitions:**

- Unlawful replication of customer product. "Piracy" occurs when someone makes unauthorized copies of the content owner's product onto discs, flash drives, tapes, or other storage devices. Possessing "pirated" or "bootleg" product will lead to disciplinary action up to and including termination, as well as arrest by law enforcement and criminal prosecution. Because of HES' association with major motion picture studios, we have an obligation to report any known issues regarding "pirated" or "bootleg" product to the Motion Picture Association, regardless of whether it is customer product or product of another content owner.
- Sale of stolen product or related materials, such as packaging materials (i.e.: jewel cases, boxes, etc.). This would include the unlawful attempt and/or sale of product, whether it's sold on the Internet, at the flea market, or from the trunk of someone's car. Again, it makes no difference whether the product is customer product or not. Possessing or selling stolen product will lead to disciplinary action up to and including termination, as well as prosecution.



- Unauthorized removal of product or potential customer product or packaging materials from the workplace. Attempting the unauthorized removal and/or the actual unauthorized removal of product by any means, including electronic removal or the unauthorized shipping of product, will lead to disciplinary action up to and including termination, as well as prosecution. The removal of packaging materials will also lead to disciplinary action up to and including termination, as well as prosecution.

**What you should do and what you should not do.**

- Do not remove product or packaging materials from the workplace without proper authorization. Authorization, in these rare instances, must come from Management and also be approved by Loss Prevention Management.
- Report any known thefts and/or suspected theft activity to Management or Loss Prevention immediately.
- Do not bring flash drives, floppy discs, VHS tapes, DVD's or CD's or any other restricted items into the facility. The only exception is for business purposes, which requires approval by your Management and Loss Prevention Management. Banned items are subject to confiscation for review purposes. Disciplinary action will result from violations up to and including termination.
- If you gain possession of any type of stolen or "pirated" product or packaging material, take it to Loss Prevention immediately so a report describing the circumstances can be completed and steps to can be taken to correct the problem.

**Reporting of Illegal/Suspicious Activity**

- If you have knowledge or suspect internal theft, piracy, or any other illegal activities, you have an obligation to report this activity immediately. Any illegal activities can be reported to your manager, the general manager of the facility, Human Resources, or Loss Prevention.
- If you do not feel comfortable reporting illegal/suspicious activities to any of these groups, illegal/suspicious activity can be reported anonymously via your facility's Loss Prevention Integrity Line.

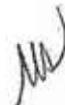


EXHIBIT E

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## Social Media Policy

For Technicolor Employees

This policy tells you how you should use the social media tools we're surrounded by,  
both internally and externally at work and at home.

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September 2013 -  
Version 2.1

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## Introduction

Social media is now an intrinsic part of our culture and we are exposed to it and interact with it every day.

Our business attracts a lot of attention on social media sites, so it's important you know what to do. We also have my.technicolor - our intranet site where we've adopted some of the tools and techniques that social networks use, to allow us to inspire conversation and collaboration across the business.

This policy tells you what your responsibilities are when you're using social networking sites, whether it's internal or external, at work or at home.

## Scope

This policy applies to all Technicolor employees, employees of all Technicolor subsidiaries and affiliates, contracted and temporary workers as well as to third parties performing services on Technicolor's behalf (hereinafter collectively referred to as "You or Your")

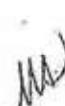
## Definitions

### Social Media:

Social media are primarily Web, mobile-based and tablet-based tools and platforms for sharing information and conversing with other people.

Social media includes tools that you might already use like:

- blogs (such as *Blogger*, *WordPress* or *Tumblr*),
- wikis (such as *Wikipedia*),
- podcasts, videocasts (such as *YouTube*, *Dailymotion* or *Vimeo*),
- social networking (such as *Facebook* or *Google+*),
- professional networking (such as *LinkedIn*, *Viadeo* and *Yammer*),
- photo sharing sites (such as *Flickr*, *Instagram* or *Pinterest*),
- microvideo sharing sites (such as *Vine* or *Instagram*),
- microblogging (such as *Twitter*),
- Q&A websites (such as *Quora*)
- and location-based sites (such as *FourSquare*).



**Restricted Information:**

Applies to the most sensitive business information that is intended to be accessed and viewed only by specific and limited numbers of people. Such information is typically limited to persons within Technicolor but may, based on the type of information, also be viewed by specifically identified people outside of Technicolor. This classification includes information such as pre-production designs, research and development, legal matters, proprietary information, trade secret information, business planning data, product pricing, security investigation materials, attorney-client privileged information, and information regarding strategic partnerships. This is information which, if disclosed, would seriously and adversely impact Technicolor, its stockholders, its business partners, or its customers.

**Confidential Information:**

Confidential Information is all other information that Technicolor or its customers treat as confidential and which has not been disclosed to the general public or competitors. This class includes information such as financial information, human resource information, salary information, customer lists, and marketing performance. Its unauthorized disclosure may seriously and adversely impact Technicolor, its stockholders, its business partners, or its customers.

## Policy Statement

**Appropriate use of Information Technology resources:**

As set forth in the Code of Ethics and Acceptable Use Policy, Technicolor's assets are to be used only for legitimate business purposes of Technicolor and only by authorized employees, officers, or their designees. Technicolor equipment, networks, and electronic systems (such as Internet access, voicemail, email and instant messaging) are provided to help you perform your duties while supporting Technicolor's business needs and are for Technicolor business use. While incidental personal use is permitted on a limited basis, there is no expectation of privacy as a result of any such personal use, including the use of Technicolor assets to access social networking web sites, personal password protected email accounts to transmit any type of information (including confidential or allegedly privileged information), or any other web site.

**You are Not Authorized to Speak on behalf of Technicolor:**

Blogging, tweeting and other online dialogue are far-reaching forms of communication. Information purported to be published by Technicolor contained within Social Media websites could have a negative impact to Technicolor and our stakeholders, with potential legal implications. Unless You have been certified and expressly authorized to speak on behalf of

the company via Social Media and have successfully completed Technicolor's Social Media training courses. You shall never claim, purport to be or in any way imply that you are speaking on behalf of Technicolor or expressing an official company position in such communications.

If you are authorized to speak on behalf of Technicolor via Social Media, You must disclose your connection to Technicolor in all communications with customers, the media or other Technicolor stakeholders. You must also disclose your connection to Technicolor if you discuss or recommend Technicolor or its products or services. You must also provide Your Technicolor contact information upon request.

Unless you are specifically authorized to speak on behalf of Technicolor, You must include a disclaimer in all communications that relate to the company or its products or services, or at least in the description of Your account, that the "opinions and views are yours only and do not reflect the opinions and views of Technicolor."

If You are approached via a social site by someone trying to buy customer information or asking you to "look up" a customer's details including phone numbers, you shouldn't action or reply to the message.

**But You are allowed to talk about Technicolor:**

Even if You are not allowed to speak on behalf of Technicolor or expressing an official company position, we encourage you to share Official Communications relayed by official Technicolor accounts with all of your contacts (RT, like...) as long as you don't modify or alter the original message.

We encourage You to share and comment content available on the Official Technicolor.com website as well (news, press releases...) via the Social Media sharing buttons available on the page.

**Establishing Social Media Accounts:**

Any business-related social media accounts must be reviewed and approved by the Social Media Committee prior to publication of the social media account or information from the account. In any case, You are not allowed to use the name "Technicolor" to create a Social Media account, as it is exclusively dedicated to official Technicolor accounts.

**You Must Comply with the Code of Ethics and other Policies:**

You shall not conduct activities that are illegal or contrary to Technicolor's Code of Ethics and other Technicolor policies. You are expected to respect the dignity and privacy of colleagues, customers, other Technicolor stakeholders, and Technicolor's competitors. Harassing, intimidating, offensive, abusive, threatening, menacing, discriminatory or hostile



content communicated through Social Media and other electronic communications is prohibited. This prohibition shall not, however, be applied in a way that would interfere with an employee's rights under applicable law.

**Accurate Information:**

You should never knowingly communicate information that is untrue or deceptive. Communications shall be based on current, accurate, complete and relevant data. Technicolor will take all reasonable steps to assure the validity of information communicated via any channel but it is Your responsibility to assure accuracy in the first instance. Anecdotes and opinions shall be identified as such.

**Protection of Restricted and Confidential Information:**

Technicolor's intellectual property and third-party Restricted or Confidential Information represent some of the company's most important assets. It is never acceptable to share, post, publish, or otherwise disclose Restricted or Confidential Information unless you are explicitly authorized to do so.

**Accountability:**

Any employee found in non-compliance with this or any Technicolor policy or standard may be subject to disciplinary action including, but not limited to, termination of employment consistent with applicable local, regional legal requirements and the Company's Rules and Regulations ("Règlement Intérieur").

Any Third-Party found in non-compliance with this or any Technicolor policy or standard may be deemed in violation of contract terms and conditions and may be subject to disciplinary action and/or other sanctions including, but not limited to, termination of working contracts consistent with applicable local, regional legal requirements and the Company's Rules and Regulations ("Règlement Intérieur").

Technicolor, being a company that complies with all applicable laws and regulations, will not exercise its rights referred to in this policy in countries or jurisdictions in any manner that would be inconsistent with applicable law.

**Monitoring activity:**

Consistent with applicable law and regional legal requirements, Technicolor reserves the right to log, monitor, and audit systems and networks, including but not limited to social media, on a periodic basis to ensure compliance with this policy.

**Reporting and Investigations**

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It is very important that You immediately report any suspicious behavior regarding Technicolor employees or third-parties. Employees should, only in good faith, bring to Technicolor's attention suspected financial, accounting, banking, and anti-bribery violations that may constitute a violation of this Policy or any applicable law. Information regarding violations should be given to the Ethics Compliance Committee (refer to Technicolor Code of Ethics).

## Change Control

Social Media Policy		Doc. No/Rev.	
		V2.1	
		File Name:	
		Social Media Policy	
Revision History Summary			
Rev.	Date	Approval	
A	Initial DRAFT	August 2013	Olivier Gruère
B	Draft revised		
C	Final		

**EXHIBIT F**  
**LMS Policy**

**HES HUMAN RESOURCES  
POLICIES AND PROCEDURES**

Number: HES US

Subject: LMS - Labor Management System

Policy Date: 1/10/2012

Latest Revision:

**PURPOSE:** Technicolor is committed to sustaining a culture of high performance and continuous improvement by establishing fair and accurate production standards to appropriate areas of the operations and methods by which the productivity of all employees assigned to the operation will be trained, measured, and recognized.

**SCOPE:** The Labor Management System (LMS) policy applies to all Technicolor HES employees and temporary employees assigned to the operational areas which have established engineered standards.

**POLICY:** This policy will establish procedures and processes supporting a Labor Management System (LMS) environment established within an operation.

**PROCEDURE:**

- 1) **Establishing Engineered Standards:** Employee performance will be measured against established engineered standards
  - a) Engineered standards for specific operational areas will be established utilizing Industrial Engineering tools such as time studies and reviews of operational procedures for each task.
  - b) Engineered standards will include personal and fatigue allowances, (by functional area), following Industrial Engineering guidelines.
  - c) Engineered standards will be reviewed and adjusted (if required) whenever changes in methods, product mix, and physical layout dictate. Standards will be reviewed annually in the event of no changes to the previous mentioned factors.
  - d) Engineered standards may change based on the following factors:
    - i. Equipment or Systems changes impacting performance.
    - ii. Changes in procedures impacting performance.
    - iii. Changes in order mix / work mix impacting performance.
    - iv. Changes in working conditions.
    - v. Discovery of errors made in establishing the original engineered standards.
- e) The process for determining if an engineered standard should be adjusted will be as follows:
  - i. If a potential issue in the practical applicability of an engineered standard is identified by operations and supported through appropriate research, Engineering is contacted and conducts an analysis of the engineered standard against the potential issue and presents results of the analysis to the management team. If there is an engineering finding that the engineered standard requires an adjustment, this information will be communicated to the employees prior to the adjustment being made.
  - ii. In the event that an engineered standard is adjusted, all employees assigned to the operational area will be fully trained to the adjustment and held accountable to the engineered standards post-training.

- f) Off-standard categories. In order to ensure that the performance management culture remains intact, off-standard categories will be established and observed when there is no work for a period of time > 5 minutes.
  - i. Lunch (Full-time and Temporary staff)
  - ii. System down time
  - iii. Equipment down
  - iv. Meetings
  - v. Training (Trainee or Trainer)
  - vi. Absent from work
  - vii. Vacation
  - viii. Cleaning
  - ix. Safety Champion duties
  - x. No work available
  - xi. Others - to be determined
  - xii. Light Duty
    - 1. If an employee is on approved light duty that precludes them from performing the essential functions of the job with or without reasonable accommodations, the employee may not be held to the standard for a period of time consistent with the light duty documentation.
    - 2. If an employee is placed on light duty during the training/ramp up period, the expectation of performance will reflect the level at the onset of the injury or illness.
    - 3. Upon return to full-duty the employee will return to being required to meet the engineered standard in the area to which they are assigned.
    - 4. The Supervisor will code in GoalPost the appropriate operation and clocking code for the period of light duty. This should be done only after consulting with the Department Manager and Human Resources.
- g) Individual Standards. The preferred method to capture the work for one employee. Goals are based on individual productivity.
- h) Team Standards -In some Instances, individual standards are not feasible. In these areas team standards will be deployed. Team Standards are based on overall performance of 2+ employees on a team. All members of the team get the same performance percentage.
- i) Exception Management - Exception reports will be generated and maintained in the event that business conditions require employees to work outside of the established standards.

2) Reporting:

- a) Reporting will be used to manage the business and provide performance feedback.
- b) Options for multiple levels of performance results reporting are available through GoalPost.
- c) Reports can be run for:
  - i. Associate level (Full-time and Temporary staff)
  - ii. Department level
  - iii. Facility level
- d) Reports will be used to report performance feedback on a daily, weekly, bi-weekly, monthly, quarterly, and annual basis.
- e) Reports generated reflecting results will be posted for review bi-weekly, (or more frequently as business needs dictate).
- f) Reports will be utilized during coaching and counseling sessions focused on productivity improvements required of the employee.



3) **Coaching:** The primary driver and sustainer of performance management programs is the coaching philosophy. Coaching is a structured process of one-on-one interactions between an employee and a supervisor. The objective of the session is to improve all aspects of an employee's performance (accuracy, safety, productivity, etc.).

a) **Coaching Components include:**

- i. Effective Coaching training
- ii. Clear expectations for the frequency and duration of coaching sessions
- iii. Public posting of Coaching sessions performed for each eligible "Coach" that include the percentages of opportunities to coach versus coaching sessions conducted

b) **Management of Coaching Expectations per month:**

i. Director/Senior Manager	2 per month*
ii. Operations Manager	1 per week*
iii. Supervisors	2 per week*
iv. Non-Operations Management	2 per month*

\*Note: Minimum requirement, coaching expectation requirement may increase at managers' discretion.

\*\*Note: Team Leads will not actively participate in coaching activities.

c) **Duration of Coaching sessions for Technicolor employees:**

- i. Management should plan for up to an hour of time to complete a coaching session which will consist of 45 minutes of observation and 15 minutes of feedback with the employee.
- ii. Hardcopies of the coaching session will be delivered to HR and historical documentation of the session will be maintained within the Coaching module of GoalPost.

d) **Duration of Coaching sessions for temporary employees:**

- i. Temporary On-Site Representatives should plan for up to an hour of time to complete a coaching session which will consist of 45 minutes of observation and 15 minutes of feedback with the temporary employee.
- ii. Temporary agency on-site representatives or subject matter experts ("SMEs"), will document and conduct coaching sessions for temporary employees failing to meet established engineered standards. Hard copies of coaching sessions will be maintained by the temporary agency supervisor or SME for reporting results on a monthly basis with the HR team and in the Quarterly Business Review or as needed.
- iii. Human Resources will conduct monthly audits to ensure compliance.

e) **Coaching employees whose performance has dropped below expected weekly levels (<100% with 15 hours on standard):**

- i. Supervisors will identify employees with <100% performance and 15 hours on standard in their respective operational areas.
- ii. Coaching for performance will be performed no later than the week following performance <100% .
- iii. Employees with performance <100% and receiving one coaching session, will receive a Step One corrective action for performance failure no later than by Friday of the following week.
- iv. Coaching sessions are foundational to improved and sustained performance management. Failure to provide prompt coaching is a leadership issue with follow-up/intervention required by a manager to a supervisor. Repeated failure to provide prompt coaching will result in disciplinary action for performance failure of the supervisor and/or manager.

- 4) **Progressive Discipline:** There will be a minimum acceptable performance level that will cause an employee to enter the Progressive Discipline process once a coaching session has been completed:
  - a) Acceptable Performance Level
    - i. 100% Performance
  - b) Counseling will be administered per Technicolor's Progressive Discipline Policy:
    - i. Step 1: First Written Warning
  - c) Steps or corrective actions issued for productivity under this policy will be classified as job performance for purposes of determining steps level. Any job performance corrective actions received prior to the standards implementation will remain on the employees' record.
  - d) Back up data for each step will include training documentation, coaching session data, and GoalPost reports.
- 5) **Operational Demands - Fluctuations in Workloads:** Business requirements dictate that at times there is demand warranting overtime while other times there is not enough demand to maintain the level of employees within the facility. The following guidelines have been established to manage hours/staffing levels and demand.
  - a) **Demand exceeds regular hours available**
    - i. **Voluntary Overtime**
      1. Volunteers from among full-time employees will be solicited from the department requiring the overtime. In the event there are too many volunteers, the highest performers, (based on the previous week's ranking), within the defined operation/department will be awarded the opportunity to work the overtime.
    - ii. **Mandatory Overtime**
      1. In the event there is mandatory overtime for multiple days and there is a choice of days for employees to work the overtime, full-time employees with the highest performance, (based on the previous week's ranking) within the defined operation/department will be given first choice.
  - b) **Not enough demand for hours**
    - i. **Within a department: Transfers to other departments**
      1. Volunteers from among full-time employees will be solicited first to temporarily transfer to another department.
      2. In the event there are too many volunteers, the highest performing, (based on the previous week's ranking), employees will be given preference.
      3. If there are insufficient volunteers, the lowest performing employees, (based on the previous week's ranking), within the defined operation/department will be temporarily transferred.  
*Note: Employees trained to work in other departments will be the first to be required to transfer.*
    - ii. **Facility Wide; Department transfers not available (Light Workload / Lack of Work)**
      1. Volunteers will be solicited first from among highest performing full-time employees, (based on the previous week's ranking), to go home early.
      2. If there are insufficient volunteers, supervisors will reduce the number of temporary employees first and then ask lower performing, (based on the previous week's ranking), Technicolor employees to go home.
  - 6) **Temporary Workforce:** Fully trained temporary employees will be measured by the same engineered standards as fully trained Technicolor employees.



a) **Temporary Agency Responsibilities:**

- i. Perform New Assignee Orientation
- ii. Temporary Employee Training: It will be the responsibility of each agency to provide employees (SME's) to train each temporary employee assigned to an operation with engineered standards. The training information will be provided by Technicolor. Technicolor trainers will support training for temporary SMEs. Once the temporary associates are trained documentation will be generated and maintained by the agency with a copy forwarded to the site HR team. Temporary associates will then be released to the respective work area. On-site representatives/SMEs will work with department supervisors to monitor and track performance, perform coaching sessions, and administer progressive discipline for performance issues.
- iii. Provide a SME in each area designated to act as trainer and coach.
  1. The temporary agency will provide subject matter experts, (SMEs), to support the training of temporary employees. If non-English speaking temporary employees are provided by the temp agency, the agency will provide trainers who are fluent in that language.
  2. The recommended ratio of SMEs to temporary employees will be determined by department and will not exceed 1:20. It is possible that this ratio will decrease as retention and performance improves.
- iv. Performance tracking, coaching, and counseling.
  1. After the initial training is performed by the SME or on-site representative, the on-site representative will work with department supervisors to monitor and track performance, perform coaching sessions, and administer progressive discipline for performance issues.
- v. Report on training activity monthly, (including performance actions taken), to the HR and operational teams and in Quarterly Business Reviews.

7) **Training - Employees:** The required training for each area on engineered standards will be clearly defined, and all employees will sign engineered standard training logs stating they have received training prior to implementation and understand the requirements of working in the department. Training logs will be forwarded and maintained by Human Resources.

- a) Engineering, Training, and Management will determine the appropriate number of hours required to be fully trained within each operation.
- b) GoalPost will be set up to track the hours on-standard which will be equated to an expected improved performance over time. The post-training ramp-up period should take between 40 to 80 hours to achieve 100% performance based on the complexity of the operation.
- c) Recommended Ramp-Up for new and cross-training employees:
  - i. Day 1 - Focus on Quality and Safety, Pass out procedures, work with trainer, conduct training, method/habit development, quality, and safety. Explain the GoalPost on-standard, off-standard, and the engineered productivity standards.
  - ii. Week 1 - Introductory week of ramp up. Over the specified training period, the employee will be expected to increase performance based on clear expectations set by the management team for that area of operation, (not to exceed 80 hours).
  - iii. Week 2 - Continue to train higher skilled operational areas or jobs. These areas/jobs require up to 80 hours of training. This will be determined and defined by the manager over the operations area.
  - iv. Program Roll-out; "Kickoff" meetings will be held at the beginning of each shift in operations that are "going live" with the LMS.
  - v. Included within the meetings:
    1. Review of Production Tasks



2. Coaching session expectations
3. Performance posting expectations:
  - a. Performance results will be posted by a determined unique identifier (not by name).
4. "Ramp-up" expectations:
  - a. During the ramp-up period, employees will receive the Weekly Performance Reports issued by departmental supervisors.
  - b. During the ramp-up period, the employee's performance will be communicated to them through a weekly posting.
5. Verifying the performance management report is correct.
6. Reaffirmation of the benefits of the LMS for employees and Technicolor.

8) Training - Management: The goal of the training program is to equip managers and supervisors with the tools required to achieve and sustain a performance culture through interactive classroom and on-the-floor sessions on:

- a) Performance Management Essentials
  - i. Standards Development
  - ii. Labor Management System (GoalPost) Interaction
  - iii. Coaching Sessions
  - iv. Pre-kickoff Training with Operation Specific Details
- b) Leadership Development
  - i. Preparing for Change
  - ii. Improving your Leadership Toolkit through Situational Leadership®
  - iii. Using the Coaching Process®

**FORMS:**

1. Technicolor Training Log
2. Coaching Form

The Company reserves the right to change, modify or terminate this policy at any time.

**EXHIBIT G**  
**AGREEMENT AND WAIVER**

In consideration of my assignment to Technicolor Videocassette of Michigan, Inc. ("Technicolor") by Staff Line, LLC ("Staffing Company"), I agree that I am solely an employee of Staff Line, LLC for benefits plan purposes and that I am eligible only for such benefits as Staffing Company may offer to its employees. I further understand and agree that I am not eligible for or entitled to participate in any benefit plan offered by Technicolor, its parents, affiliates, subsidiaries, or successors to any of its employees, regardless of the length of my assignment to Technicolor by Staffing Company and regardless of whether I am held to be a common-law employee of Technicolor for any purpose, and therefore, with full knowledge and understanding, I hereby expressly waive any claim or right that I may have, now or in the future, to such benefits and agree not to make any claim for such benefits.

I further agree that in the event that any person or entity should initiate a claim or action on my behalf, I hereby waive and forfeit any right to recovery under said claim and will exercise every good-faith effort to have such claim dismissed. Further, I will be responsible for Technicolor's attorneys' fees expended in having such claim or action dismissed or resolved.

**Assigned Employee**

Signature

Printed Name:

Date:

**Staff Line, LLC**

Signature

Printed Name:

Title:

Date:

*MJ*

**Exhibit H  
PERFORMANCE OF THE SERVICES**

Metrics and business review terms for the Staffing Company/Technicolor Industrial Temporary Staffing Services.

DOLLARS EXPENDED

QUARTER

YEAR-TO-DATE

YEAR TO YEAR BY MONTH

RECRUITING METRICS

STAFFING STATISTICS

JOB ORDER FILL RATIO

HIRE TO SUBMITTAL RATIO

HIRES BY DISCIPLINE

QUALITY MEASURES

RESPONSE TIME

TURNOVER/TERMINATION

PERFORMANCE EVALUATIONS

CUSTOMER EVALUATION OF EMPLOYEE PERFORMANCE

CUSTOMER EVALUATION OF STAFFING COMPANY PERFORMANCE

EMPLOYEE EVALUATION OF STAFFING COMPANY PERFORMANCE

COST SAVINGS

SERVICE ENHANCEMENTS

CONTINUOUS IMPROVEMENTS

Staffing Company will in conjunction with the Technicolor Implementation Team establish agreed upon goal and concern lines within the implementation timeframe. These goals and concern lines will be determined, in part, upon the complete history of Technicolor's usage which will be mutually agreed upon and determined by Technicolor and Staffing Company within the first week following the execution of this Agreement.

\*Staffing Company Associate Performance-All participating suppliers are measured within the same guidelines as Staffing Company.

**Service Level Agreements.** The Parties may implement Service Level Agreements. With respect to each Service which has an associated Service Level, Staffing Company shall provide such Service throughout the Term in a manner that meets or exceeds the associated Service Level.

**Review of Service Levels.** On the anniversary of this Agreement and every year thereafter, the Parties shall jointly review the Service Levels and adjust them to reflect any improved performance capabilities associated with advances in the technology and methods used to perform the services. The Parties acknowledge that they expect the Service Levels identified in the Service Level Agreements to generally improve continuously throughout the Term. Throughout the Term, Staffing Company shall identify and notify Technicolor of commercially reasonable methods of improving the Service Levels.

**Measurement and Monitoring Tools.** As part of the services throughout the Term, and at no additional cost to Technicolor, Staffing Company shall implement any measurement and monitoring tools and procedures necessary to measure its performance of the services and compare such performance to that required by the Service Level Agreements. Upon Technicolor's request, Staffing Company shall provide Technicolor or its auditors with any information and access to the measurement and monitoring tools necessary to verify compliance by Staffing Company with the Service Level Agreements.

**Failure to Meet Service Levels**

(a) Staffing Company acknowledges that its failure to meet one or more Service Levels may have a material adverse effect on the business and operations of Technicolor and that the actual amount of damage sustained by Technicolor because of such failure would be impracticable or extremely difficult to determine. Based on the above, Technicolor shall have any remedies available to Technicolor under this Agreement, at law or in equity, including the right, depending on the circumstances, to terminate this Agreement or any Service for cause.

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- (b) Each time Staffing Company fails to meet a Service Level, Staffing Company shall: (i) promptly investigate the root cause(s) of the failure and deliver to Technicolor a written report identifying such root cause(s) in the form requested by Technicolor; (ii) use all commercially reasonable efforts to correct the problem and to begin meeting such Service Level as soon as practicable; and (iii) at Technicolor's request, advise Technicolor of the status of such corrective efforts. All Service Levels and applicable Service Credits remain in effect notwithstanding Staffing Company's use of commercially reasonable efforts to correct any performance problem.
- (c) If any failure to meet a Service Level is directly and solely attributable to (i) a Force Majeure Event, (ii) a breach by Technicolor of this Agreement, or (iii) as otherwise provided in a Service Level Agreement, Technicolor shall not be entitled to a Service Credit.

**Performance Standards.** With respect to any Service or obligation which does not have an associated Service Level, Staffing Company shall perform such Service or obligation with accuracy, quality, completeness, timeliness, responsiveness and cost efficiency ("Performance Standards"). Each time Staffing Company fails to meet any Performance Standards, Staffing Company shall: (i) promptly investigate the root cause(s); (ii) use all commercially reasonable efforts to correct the problem and to begin performing such obligation in the required manner as soon as practicable, but in any event within thirty (30) days of such failure; and (iii) at Technicolor's request, advise Technicolor of the status of such corrective efforts. All Performance Standards remain in effect notwithstanding Staffing Company's use of commercially reasonable efforts to correct any performance problem. Regardless of whether there exists an associated Service Level, Staffing Company shall (i) perform all services and obligations promptly, diligently and in a workmanlike and professional manner, using qualified individuals, and (ii) use all commercially reasonable efforts to perform the services and obligations in the manner which reduces charges payable by Technicolor hereunder to the minimum amount reasonably practicable while still meeting required levels of quality and performance.

**Baseline Customer Satisfaction Survey.** Upon the request of Technicolor and as part of the services, Staffing Company (or if Technicolor elects, a third party mutually agreed upon by Technicolor and Staffing Company) shall, if requested by Technicolor, conduct a baseline customer satisfaction survey as approved by Technicolor for affected end-users of the services as designated by Technicolor. This survey shall be of the content and scope reasonably determined by Technicolor, administered in accordance with the procedures agreed upon by Technicolor and Staffing Company. If a third party is selected, Technicolor and Staffing Company shall share the third party costs equally.

**Value Initiatives and Periodic IT Review.** During the Term of this Agreement it is the intention of Staffing Company and Technicolor to cooperate in good faith to identify opportunities for Staffing Company to propose Staffing Company services to Technicolor for the purpose of creating technology-enabled business value for the benefit of Technicolor ("Value Initiatives"). Periodically, but at least annually, Staffing Company and Technicolor executives shall meet for a review of Technicolor's information technology requirements as well as reporting and recommendations of Staffing Company as to the quality of services performance by Staffing Company and continuous improvement in such performance. If Technicolor agrees with Staffing Company to contract for implementation of a Value Initiative, Staffing Company and Technicolor will negotiate in good faith to determine the pecuniary value of Staffing Company's contribution to achievement of the applicable business objectives, the method of measuring and tracking such value and the period over which it will be measured and tracked, and the basis for compensating Staffing Company for the applicable Staffing Company services. The terms and conditions agreed to by Staffing Company and Technicolor with respect to each Value Initiative will be set forth by the Parties in an amendment to this Agreement.

**EXHIBIT I**  
**CONFIDENTIALITY AGREEMENT FOR**  
**STAFFING COMPANY EMPLOYEE WORKING ON TECHNICOLOR PROJECTS**

I, \_\_\_\_\_, the undersigned employee of [Agency name], hereby enter into this Agreement as a condition of my employment or continued employment by [Agency name] (the "Company"). I recognize that the Company provides services to Technicolor Videocassette of Michigan, Inc. ("Technicolor") and that confidentiality regarding the work performed by Technicolor for its customers is critical to Technicolor's success and, therefore, the Company. I recognize and agree that it is my responsibility to preserve and protect that information. I, therefore, agree as follows:

**1. PROTECTION OF CONFIDENTIAL INFORMATION AND CUSTOMER CONTENT PRODUCT AND MATERIALS**

(a) Confidential Information--Generally.

(i) For purposes of this Agreement and except as provided in Section 1(a)(ii), the term "Confidential Information" means the following with regard to Technicolor: all trade secrets, confidential knowledge, data and other proprietary information of Technicolor, including without limitation, technology, processes and procedures relating to existing or proposed products and services, equipment design and performance specifications and measurements, processes, equipment, content protection measures, computer hardware and software, inventions, know-how, designs, formulas, test data, customer lists, security measures and strategies, information relating to business plans, methods, strategies, and other subject matter pertaining to any business of Technicolor or any of its customers, regardless of the format (e.g., written, oral, or electronic) in which it is embodied, including Customer Owned Content (as defined below).

(ii) Confidential Information does not include information I can document in reasonable detail to Technicolor's satisfaction that is: (a) known to me at the time I receive such information from Technicolor and not subject to any other non-disclosure agreement; (b) now, or later becomes, generally known to the general public through no fault of mine; or (c) otherwise lawfully acquired by me from a third party without any obligation of confidentiality.

(iii) Confidential Information—Customer Content, Product, and Materials. Confidential Information also includes content and other creative materials and information belonging to Technicolor's customers, including without limitation digital and video elements, features, television programs, videogames, trailers, promotional or supplemental materials, artwork, and any information whatsoever about products for which Technicolor is providing services to its customer (collectively, "Customer Owned Content").

(c) Obligations; Prohibitions. I agree at all times, both during and after my assignment at Technicolor that I will:

(i) hold in the strictest confidence and not to disclose, directly or indirectly, to any third party, nor grant access to, except for the benefit of Technicolor or for the purpose of rendering authorized services to its customers, any Confidential Information that I may acquire during the course of my assignment at Technicolor;

(ii) allow access to Confidential Information only to co-worker(s) with a business need to have such access, and then only to the minimum extent necessary for such co-worker(s) to do their jobs;

(iii) comply with and follow at all times Technicolor's policies and procedures in effect from time to time (whether in a handbook, policies and procedures manual(s), a separate memorandum, or in any other written policy or procedure issued by Technicolor regarding security and protection of, or access to, or the use and disclosure of, Confidential Information or Customer Owned Content);

(iv) not deliver, copy, reproduce or in any way allow any Confidential Information, or any documentation relating thereto, to be delivered to, or used by, any third party without specific written direction or consent of a duly authorized representative of Technicolor; and

(v) not use any Confidential Information, or Technicolor or equipment, for personal or other purpose except as authorized by Technicolor and for the purpose of rendering services to Technicolor.

(d) Other Third Party Information. I understand that Technicolor may have received and in the future may receive from third parties their confidential information subject to a duty on Technicolor's part to maintain the confidentiality of such information and to use it only for certain limited purposes (in which event, such information shall constitute Confidential Information hereunder). I agree that, both during and after my assignment at Technicolor, I shall hold all such confidential information in the strictest confidence and not disclose or use such information except as necessary in carrying out my work for the Company consistent with the Company's agreement with such third party.

## 2. MISCELLANEOUS.

(a) This Agreement and all matters arising out of or relating to this Agreement shall be governed by and construed in accordance with the Laws of the State of Tennessee, excluding all choice of law provisions.

(b) My promises in this Agreement are intended to protect Technicolor's information and intellectual property and information belonging to Technicolor's customers. Therefore, I understand and agree that Technicolor shall be entitled to enforce my promises and to bring civil litigation against me to do so. Due to the nature of this Agreement, Technicolor shall be entitled to an injunction restraining such breach or threatened breach without having to prove damages or threatened irreparable harm. Any such injunctive relief Technicolor may obtain shall be in addition to all of the rights and remedies available at law and in equity. Such equitable relief may include, but is not limited to, the seeking of a temporary or permanent injunction, restraining order or order for specific performance, and may be sought with or without prior notice, depending on the circumstances. Technicolor shall be entitled to recover from me reasonable attorneys' fees and expenses incurred in any action wherein Technicolor successfully enforces the provisions of the Agreement against the breach or threatened breach thereof by me.

IN WITNESS WHEREOF, I have executed the Agreement on the date(s) set forth below.

Employee Signature

Witness

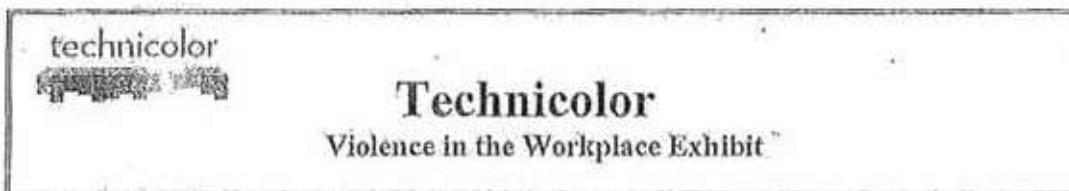
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Name Printed

Date

Title

## EXHIBIT J



Home Entertainment Services, (HES), is dedicated to providing a safe and secure work environment and therefore recognizes that any acts of intimidation, threats of violence, and acts of violence on company premises must be investigated and addressed and applies to all HES employees, temporaries, contractors, subcontractors, visitors and vendors who are on company premises.

HES have adopted zero tolerance for violence in the workplace or on company premises. This means the HES sites will not tolerate perceived or potentially violent acts and will make every reasonable effort to prevent violence or threats of violence from occurring. The intent is to diminish the likelihood of violence.

The term "violence" refers to a range of inappropriate behaviors that include but are not limited to the following:

- Perceived intimidating or threatening actions,
- Physical or verbal abuse,
- Vandalism,
- Arson,
- Sabotage,
- Carrying or possessing weapons of any kind on property owned/leased or otherwise controlled by HES; or while acting in a capacity while representing the company, unless otherwise authorized by HES,
- Using such weapons,
- Any other act(s) which a reasonable person would consider as posing a danger or threat of danger/violence in the workplace. Such behavior includes, but is not limited to oral, written or e-mail statements, gestures, or expressions that communicate a direct or indirect threat of physical harm and;
- Offensive comments regarding violent events and/or behavior that may create concern for safety/security.

All reports of incidents will be taken seriously and will be dealt with appropriately. Individuals who commit such acts of inappropriate behavior will be removed from the premises and their employment /association with the company may be immediately terminated. Violations may also result in criminal and/or civil penalties. Any weapon or other potentially dangerous instruments at the worksite will be confiscated and turned over to appropriate law enforcement authorities. Employees and temporaries should understand that there is no reasonable expectation of privacy with respect to such items in the workplace or on HES worksites. Violations, including knowingly providing a false report, can lead to disciplinary action. Anyone questioned regarding Workplace Violence must cooperate fully and honestly. Providing false information or

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failing to cooperate fully when questioned may lead to disciplinary action as stated above. This is applicable to all HES employees, temporaries, contractors, subcontractors, visitors and vendors who are on company premises.

**Definitions:**

**Workplace Violence** - is defined as "any physical assault, threatening behavior or verbal abuse occurring in the work setting. It includes but is not limited to beatings, stabbings, suicides, shootings, rapes, near suicides, psychological traumas such as threats, obscene phone calls, an intimidating presence, and harassment of any nature such as being followed, sworn at, or shouted at." *(Also as defined by the National Commission on Safety and Health.)*

**Workplace Violence** - is defined in Ontario, Canada as " (a) the exercise of physical force by a person against a worker, in a workplace, that causes or could cause physical injury to the worker; (b) an attempt to exercise physical force against a worker, in a workplace, that could cause physical injury to the worker; (c) a statement or behavior that it is reasonable for a worker to interpret as a threat to exercise physical force against the worker, in a workplace, that could cause physical injury to the worker.

**Worksite** -the worksite is any location, either permanent or temporary, where an employee performs any work-related duty or receives work-related communication for HES. This includes but is not limited to the buildings and the surrounding perimeters, including the parking lots. It includes all company-owned and leased space, including, any location where HES business is conducted and company related events.

**Reporting:**

Employees and temporaries who feel subjected to any kind of inappropriate behaviors such as those listed in the previous section must immediately report the incident to their supervisor. Employees and temporaries should immediately notify proper law enforcement authorities and/or Loss Prevention if they believe that there is a serious threat to their safety or the safety of others.

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Shelby County Circuit Court	<b>State of Tennessee Civil Summons</b>	Case Number
<b>Zurich American Insurance Company as subrogee of Staff Line, LLC</b> v. <b>Technicolor Videocassette of Michigan, Inc.</b>		

Served On: Technicolor Videocassette of Michigan, Inc.  
 c/o Registered Agent Solutions, Inc.  
 992 Davidson Drive, Suite B  
 Nashville, TN 37025 -1051

You are hereby summoned to defend a civil action filed against you in Circuit Court, Shelby County, Tennessee. Your defense must be made within **30 days** from the date you are served with this summons. Your answers to the accompanying interrogatories, request for production, and requests for admission are due **45 days** from the date you are served. You are directed to file your defense with the clerk of the court and send a copy to the plaintiff's attorney at the address listed below. If you fail to defend this action, judgment by default may be rendered against you for the relief sought in the Complaint.

Issued: \_\_\_\_\_  
 Clerk / Deputy Clerk

Attorney for Plaintiff: Michael A. Durr (TBA 26746)  
 QUIST, FITZPATRICK & JARRARD PLLC  
 800 South Gay Street, Suite 2121  
 Knoxville, TN 37929  
 Office: (865) 524-1873 E-Mail: mdurr@qcflaw.com

#### **NOTICE OF PERSONAL PROPERTY EXEMPTION**

TO THE DEFENDANT(S): Tennessee law provides a \$10,000 personal property exemption as well as a homestead exemption from execution or seizure to satisfy a judgment. The amount of the homestead exemption depends upon your age and the other factors which are listed in TCA § 26-2-301. If a judgment should be entered against you in this action and you wish to claim property as exempt, you must file a written list, under oath, of the items you wish to claim as exempt with the clerk of the court. The list may be filed at any time and may be changed by you thereafter as necessary; however, unless it is filed before the judgment becomes final, it will not be effective as to any execution or garnishment issued prior to the filing of the list. Certain items are automatically exempt by law and do not need to be listed; these include items of necessary wearing apparel (clothing) for your self and your family and trunks or other receptacles necessary to contain such apparel, family portraits, the family Bible, and school books. Should any of these items be seized you would have the right to recover them. If you do not understand your exemption right or how to exercise it, you may wish to seek the counsel of a lawyer. Please state file number on list.

Shelby County Circuit Court	<b>State of Tennessee Civil Summons</b>	Case Number
Zurich American Insurance Company as subrogee of Staff Line, LLC  v.  Technicolor Videocassette of Michigan, Inc.		

**CERTIFICATION (if applicable)**

I, \_\_\_\_\_, \_\_\_\_\_ Clerk of Shelby County do certify this to be a true and correct copy of the original summons issued in this case.

Date: \_\_\_\_\_  
\_\_\_\_\_  
Clerk / Deputy Clerk

**OFFICER'S RETURN:** Please execute this summons and make your return within 90 days of issuance as provided by law.

I certify that I have served this summons together with the complaint as follows:

Date: \_\_\_\_\_ 2020. By: \_\_\_\_\_  
\_\_\_\_\_  
Officer, Title

**RETURN ON SERVICE OF SUMMONS BY MAIL:** I hereby certify and return that on May 14, 2020 I sent postage prepaid, by registered return receipt mail or certified return receipt mail, a copy of the summons, complaint, and initial written discovery in this case, to the defendant Technicolor Videocassette. On May 21 I received the return receipt, which had been signed by Cody Henson on May 17. The return receipt is attached to this original summons to be filed by the Court Clerk.

Date: May 21, 2020.

  
Notary Public / Deputy Clerk (Comm. Expires)

  
Plaintiff's Attorney (or Person Authorized to Serve Process)

(Attach return receipt on back)





The Shelby County, Tennessee Circuit Court

**Case Style:** ZURICH AMERICAN INS CO VS TECHNICOLOR

**Case Number:** CT-1707-20

**Type:** SUMMONS ISSD TO MISC

A handwritten signature in black ink that reads "Kathryn Howard".

Kathryn Howard, DC

Electronically signed on 04/29/2020 08:00:23 AM

## SENDER: COMPLETE THIS SECTION

## COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

## 1. Article Addressed to:

Technicolor Videocassette of  
Michigan, Inc.  
c/o Registered Agent Solutions, Inc.  
992 DAVIDSON DR., STE. B  
NASHVILLE, TN 37025-1051



9590 9402 5425 9189 4974 32

## 2. Article Number (Transfer from service label)

7017 2620 0000 5118 9328

## A. Signature

*[Signature]* Agent Addressee

## B. Received by (Printed Name)

Dale Henderson

## C. Date of Delivery

5-18-20

D. Is delivery address different from item 1?  YesIf YES, enter delivery address below:  No

## 3. Service Type

- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Insured Mail Restricted Delivery (over \$500)
- Return Receipt for Merchandise
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

Domestic Return Receipt

PS Form 3811, July 2015 PSN 7530-02-000-9053



9590 9402 5425 9189 4974 32

First-Class Mail  
Postage & Fees Paid  
USPS  
Permit No. G-10

United States  
Postal Service

• Sender: Please print your name, address, and ZIP+4® in this box\*

Quist, Fitzpatrick + Jagger, PLLC  
2121 First Tennessee Plaza  
Knoxville, TN 37925

Attn: Michael A. Durr

